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Supplement to The Mining Journal—April 29, 1960

# The Mining Journal

## ANALYSIS OF RAND AND O.F.S. QUARTERLIES

### A SLOW CONVALESCENCE

**S**INCE the beginning of the year, the Kaffir market has been under the cumulative pressure of bearish political influences from many parts of Africa, to which the Continental investor has shown particular sensitiveness. During this period it has been mainly from Paris, Brussels and Zurich, that selling has come.

First, in the early weeks of the year there was considerable Continental nervousness regarding the consequences both of the coming of independence to the Congo in July and of British colonial policy in East and Central Africa, which in turn gave rise to fears regarding the impact of this rising wind of change on race relations in the Union and on South Africa's standing in the Western world.

This nervousness coincided with the culmination of a prolonged, if gradual, rise in Kaffir prices to the point where, by January, the market had in any event become vulnerable to unfavourable influences. It coincided also with General De Gaulle's much publicised secret visits to Algeria which surprisingly seem to have reassured the French investor to the point of his being ready to repatriate funk money, which in previous months he had been hedging into Kaffirs.

#### Then Came Sharpeville

Superimposed on these bearish influences came first the quite minor factor of the Coalbrook power cut and then the widespread disturbances in South Africa beginning in mid-March with the demonstrations against the pass laws and the tragedies at Sharpeville and Nyanga which led in turn to the state of emergency which, as we go to press, is still in force.

The aftermath of these latest examples of the outcome of South Africa's racial policies is likely to remain with us for a long time yet. Moreover, it is too early to predict with any confidence either that the unprecedentedly sharp reaction of public opinion within the Union to recent events or that the more predictable reactions in the rest of the world will be sufficient to bring about any radical change of government policy—still less of government.

On the other hand, it is at least a possibility that South African opinion has at last received a sufficiently sharp jolt for racial policy to veer appreciably, even if it does not as yet change course decisively. Seldom can the actions of the government have provided a less accurate reflection than in recent weeks of the mood of the country as a whole. Individual standards, viewpoints and loyalties are today being reassessed as never before in all European circles other, perhaps, than among the government's die-hard supporters.

#### The Changing Climate of Opinion

Such a crisis in public opinion cannot be resolved overnight and it may well be many months before the political trend in the Union becomes clarified. However, it should become apparent, at any rate by the end of this year, whether those political forces, inside the government no less than outside, which are bent on modifying the Union's racial policies, have gathered enough strength and coherence from the events of the past few weeks to force a new approach to African problems, even to the point, as many South Africans now seem to desire, of forming a National Coalition government.

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The programme of such a government would be unlikely to bear much relation to the programme of the Progressive Party, which is based on the concept of a multi-racial society, but it would at least represent an advance on the policies which have been primarily responsible for recent events. Moreover, however tentative the first steps, any change of direction must inevitably lead to higher African living standards and greater civil liberties. Such a prospect constitutes a challenge to the whole of South African industry, which now seems to be widely recognised and accepted among employers, whatever may be the conclusions to be drawn from the divergence of views within the government, highlighted by recent statements by Mr. Sauer and Mr. Louw.

#### What Will a New Deal for Africans Involve?

One thing which has emerged clearly from recent events, is the urgent need for more effective communication between the European and the African. In industrial terms this must inevitably mean the legalisation of African trade unions and the erosion of job reservation to create wider opportunities for African advancement. It must also mean higher African wages but it by no means follows that this need result in correspondingly higher costs and prices. The industrial efficiency of the urban African would probably be much increased with the better living standards arising from higher pay, and a positive policy of training and promotion would probably put an end to the go-slow tactics which have been becoming increasingly prevalent. Added to which the whole economy would receive a much needed shot in the arm from the increase in African purchasing power, at a time when industry's ability to earn profits and pay taxes will be a major factor in financing rural resettlement which must be basic to any programme of African advancement.

#### The Special Problem Facing Mining

For the mining industry, the problem is, of course, fundamentally different in that labour is recruited almost exclusively from the tribal areas (about 45 per cent from outside the Union and High Commission Territories) on recurrent periods of short service contract. So long as this industry remains dependent on a short service migratory labour force, it is severely limited as to the extent to which it can economically spend time and money on training, either for up-grading the African to reserved jobs which he could more economically perform, or for teaching him to use new methods and new machinery and equipment upon which further stope mechanization must be dependent. (The scope for more efficient labour utilization is not limited to the stope, but as usually 60 per cent or more of the underground native labour force is employed in stope working, it is obviously here that the greatest opportunities lie).

In so far, therefore, as the mining industry is going to be faced with rising prices for the machinery and supplies it buys from the rest of South African industry, and in so far as it is likely in any case to have to raise the wages of its own migratory labour, these increased costs can in the main only be offset by the rising efficiencies in operational and cost control, which have been a notable if gradual development of recent years. Beyond that, higher milling rates offer the only escape.

(Continued on page 7)

## FINANCIAL RESULTS

(Cumulative and comparative "this" financial year to March 31, 1960 with "last.")

GROUP	COMPANY	ORDINARY SHARES IN ISSUE	Months since year end	PROFIT AND LOSS RESULTS £(000)								EARNINGS, DIVIDENDS & YIELD PER SHARE								
				Working Profit		Uranium Profit After Loan Repayment		Taxation and/or Mining Lease		Net Profit After Tax		Current financial year's capital expenditure (Gold) £(000)	Earned in current year to date		Paid				Yield on 25/4/60 (0/0)	
				This	Last	This	Last	This	Last	This	Last		s. d.	s. d.	s. d.	s. d.	s. d.			
Gold Fields	Doornfontein	9,828,000 (10/-)	9	1710.6	1685.4	104.9	103.3	—	—	1816.2	1799.7	345.2	3/8	1 0	1 6	1 6	1 6	1 6	9.5	
	Libanon	7,937,300 (10/-)	9	557.0	482.9	—	—	—	—	559.6	490.3	326.5	1/5	3 1	3 1	3 1	3 1	3 1	4.5	
	Luipaards Vlei	4,969,105 (2/-)	9	47.8	47.7	574.5	544.5	332.2	270.4	349.9	326.3	14.0	1/5	1 0	1 0	1 0	1 0	1 0	25.0	
	Rietfontein C.	1,122,252 (3d.)	3	20.8	22.7	—	—	10.5	8.3	10.3	14.4	0.8	2d.	1 0*	10*	6*	8*	—	—	
	Robinson	2,000,000 (5/6)	3	L19.9	L63.5	—	—	—	—	L19.9	L63.5	0.9	—	—	6*	—	—	—	—	
	Simmer	6,750,000 (1/6)	3	L44.1	L5.3	—	—	—	—	L44.1	L6.2	—	—	6*	—	6*	—	—	—	
	Sub Nigel	1,771,875 (3d.)	9	171.4	219.3	—	—	63.4	59.0	121.8	165.6	Cr. 6.2	1/4	1 6	1 6*	1 6*	1 3*	—	—	
	Venterspost	4,900,000 (10/-)	9	518.5	521.8	—	—	139.7	182.7	388.9	347.7	97.0	1/7	10	10	10	10	10	8.9	
	Vlakfontein	6,000,000 (10/-)	3	258.6	251.4	—	—	130.9	210.5	127.7	130.9	Cr. 0.6	5d.	11	1 0	11	1 0	11	11.4	
	Vogels	5,028,571 (3d.)	3	64.7	121.5	93.0	84.0	94.7	95.5	63.0	110.0	—	3d.	1 0	1 0	11*	10*	—	—	
	W. Drie	7,041,080 (10/-)	9	7548.7	5719.7	221.2	191.2	3639.9	2378.1	4131.5	3557.5	1001.4	11/9	3 9	4 0	4 3	4 9	5.5		
Anglo American	Brakpan	4,600,000 (3d.)	3	34.0	28.1	—	—	3.2	3.2	30.8	27.1	—	2d.	4 1	6	4 1	6*	—	—	
	Dagga	7,000,000 (5/-)	3	684.0	728.2	277.8	282.3	610.3	616.4	351.5	400.6	4.7	1/—	2 6	2 6	2 3	2 3	2 3	21.9	
	East Dagga	3,730,000 (10/-)	3	118.3	84.5	—	—	49.2	31.3	69.1	55.2	—	4d.	7 1	7 1	7 1	7 1	7 1	14.3	
	F. S. Geduld	10,000,000 (5/-)	6	3838.9	2482.9	—	—	—	—	3838.9	2482.0	668.0	7/8	3 0	3 6	4 6	3 6	6 1	—	
	P. Brand	14,040,000 (5/-)	6	4945.0	3681.6	187.5	188.0	2317.2	1781.8	2815.3	2098.4	1103.7	4/—	2 6	2 6	3 0	2 6	10.0	—	
	P. Steyn	14,040,000 (5/-)	6	1086.2	1113.2	224.3	219.2	—	—	1310.5	1337.3	1100.6	1/10	1 3	1 3	1 3	1 0	9.9	—	
	S.A. Lands	2,475,000 (3/6)	3	125.2	164.1	—	—	—	—	27.1	125.2	139.6	148.9	1/—	1 6	1 6	1 3	6 1	12.7	—
	Springs	10,110,000 (3d.)	3	45.5	29.3	—	—	11.5	4.8	34.0	26.5	Cr. 1.9	1d.	—	4 1	—	6*	—	—	
	Vaal Reefs	10,500,000 (5/-)	3	647.5	597.7	361.7	346.2	—	—	1009.2	948.3	437.5	1/11	1 6	2 0	1 6	2 0	7.8	—	
	Welkom	12,250,000 (5/-)	6	421.6	467.2	219.3	209.1	—	—	640.9	679.7	244.4	1/1	3	3	3	3	3.1	—	
	W. Holdings	7,496,376 (5/-)	6	4618.9	2722.8	—	—	2591.2	—	2027.7	2730.8	347.2	5/5	4 0	3 6	5 0	4 0	7.0	—	
	W. Reefs	7,000,000 (5/-)	3	364.5	242.4	319.0	303.7	399.0	310.6	284.5	239.2	114.1	10d.	1 3	1 3	1 3	1 3	1 3	9.3	—
Central Mining	Blyvoor	24,000,000 (2/6)	9	5693.9	4550.6	895.2	911.9	3854.9	3253.9	3028.3	2350.9	505.2	2/6	1 0	1 0	1 1	1 2	8.9	—	
	City Deep	2,026,832 (£1)	3	17.2	31.6	—	—	0.1	2.9	24.4	41.1	2.9	3d.	6	7 1	7 1	7 1	7 1	7.7	—
	Cons. M. R.	1,247,602 (£1)	9	63.1	129.3	—	—	6.8	7.3	112.5	155.3	—	1/10	1 3	1 6	1 6	1 3	18.3	—	
	Crown	1,886,125 (10/-)	3	29.8	24.6	—	—	13.4	3.5	29.0	19.8	4.7	4d.	1 6	1 9	1 9	2 0	17.0	—	
	Durban Deep	2,325,000 (10/-)	3	150.3	154.3	—	—	23.0	13.9	137.7	156.7	35.0	1/2	1 6	1 6	1 6	1 6	10.9	—	
	E. Rand Prop.	3,960,000 (10/-)	3	281.7	353.2	—	—	3.0	40.3	279.8	327.5	227.2	1/5	2 0	2 0	1 9	1 9	10.7	—	
	Harmony	18,000,000 (5/-)	9	2266.3	1434.6	1451.8	986.0	—	—	3678.9	2395.4	1441.1	4/1	1 0	1 1	1 3	1 3	8.1	—	
	Modder E.	930,805 (£1)	9	7.2	19.4	—	—	5.0	4.5	23.5	30.0	—	6d.	9	6	6	6	8.0	—	
	Rose Deep	700,000 (3/6)	3	3.2	L0.1	—	—	0.4	0.9	4.2	1.8	—	1d.	3 0*	—	3 0*	—	—	—	
	Transvaal G.M.E.	952,500 (3d.)	3	3.8	7.4	—	—	—	—	0.6	6.0	4.6	—	—	—	—	—	—	—	
J.C.L.	E. Champ d'Or	2,079,000 (2/6)	3	21.1	19.3	(a)	(a)	8.4	8.2	13.4	12.6	0.9	2d.	3	3	3	3	3	23.5	—
	Freddies Cons.	16,359,913 (£1)	3	L39.0	L10.6	(a)	(a)	—	—	L51.9	L24.3	1.2	—	—	—	—	—	—	—	
	Govt. G.M.A.	5,600,000 (3d.)	3	3.8	L18.6	—	—	13.8	8.5	59.2	39.0	—	2d.	6*	6*	6*	9*	—	—	
	Randfontein	4,063,553 (£1)	3	339.4	345.8	(a)	(a)	157.0	150.0	182.4	195.8	14.8	11d.	2 0	2 3	1 9	2 3	21.9	—	
	E. Geduld	9,000,000 (4/-)	3	772.6	805.4	—	—	408.5	424.8	377.5	401.0	—	10d.	1 9	1 11	1 9	1 11	18.6	—	
Union Corporation	Geduld Prop.	1,460,857 (£1)	3	82.6	41.8	—	—	33.0	7.0	55.9	43.6	—	9d.	5 0	6 3	4 9	5 0	16.9	—	
	Grootvlei	11,438,816 (5/-)	3	695.1	618.8	—	—	360.2	319.0	345.5	318.8	—	7d.	1 1	1 3	1 1	1 5	12.2	—	
	Marievale	4,500,000 (10/-)	3	374.1	317.5	—	—	192.7	157.1	184.1	166.8	—	10d.	1 1	1 5	1 4	1 7	11.0	—	
	St. Helena	9,625,000 (10/-)	3	930.4	647.2	—	—	—	—	920.2	646.6	197.1	1/11	1 1	1 3	1 9	2 3	6.0	—	
	Van Dyk	5,532,000 (3d.)	3	33.7	75.1	—	—	8.0	—	30.6	81.0	—	1d.	1 3*	—	1 3*	—	—	—	
	Winkelhaak	12,000,000 (10/-)	3	319.5	63.8	—	—	—	—	309.3	45.4	59.4	6d.	—	—	—	—	—	—	
	Buffelsfontein	11,000,000 (10/-)	9	2582.9	1728.1	1487.9	1303.3	—	—	4070.8	3049.1	1551.5	7/5	1 6	1 6	1 6	1 9	8.1	—	
General Mining	Ellaton	787,500 (5/-)	9	238.0	283.3	143.0	152.0	—	—	381.0	438.7	Cr. 1.6	9/8	—	—	—	—	—	—	
	Stilfontein	13,062,920 (5/-)	3	1048.4	1255.1	171.0	170.0	412.0	—	807.4	1433.4	425.7	1/3	1 10	1 10	1 10	1 10	11.4	—	
	S. Roodepoort	1,420,662 (10/-)	9	199.1	204.1	—	—	82.0	85.7	128.5	136.2	7.9	1/10	1 1	1 1	1 1	1 1	—	—	
	W. Rand Cons.	4,250,000 (10/-)	3	632.8	612.7	(a)	278.0	279.0	307.6	22.1	1/1(c)	2 0	2 3	2 0	2 3	2 3	23.3	—		
	Hartebeestfontein	9,000,000 (10/-)	9	2572.6	2810.8	2087.9	2055.9	1785.0	—	2960.5	4922.1	1561.8	6/7	3 6	3 6	3 6	3 0	13.1	—	
Anglo-Tvaal	Lorraine	15,363,345 (10/-)	6	L134.0	L116.3	140.0	132.8	—	—	10.7	21.6	1028.5	—	—	—	—	—	—	—	
	Rand Leases	3,600,000 (3d.)	9	186.2	102.1	—	—	6.5	6.2	209.0	128.3	18.9	1/2	—	9*	—	1 0*	—	—	
	Village M.R.	6,068,957 (1/3)	9	4.6	5.4	—	—	—	—	7.2	9.9	9.1	—	0.2	—	—	—	—	—	
	Virginia	13,278,952 (5/-)	3	14.9	41.4	311.3	325.8	—	—	284.4	317.7	54.8	5d.	—	—	—	—	—	—	
Others	N. Klein	1,735,000 (£1)	3	3.3	9.1	—	—	—	—	3.3	10.6	—	—	—	—	—	—	—	—	
	Spaarwater	7,974,968 (5/-)	3	1.6	1.8	—	—	—	—	1.6	1.8	—	—	—	—	—	—	—	—	
	Wit Nigel	7,974,720 (2/6)	9	40.8	48.7	—	—	—	—	47.3	58.3	4.6	1d.	1 1	—	1 1	—	11.1	—	

(a) Included under working profit. (b) And deferred shares. (c) After deferred shares participation. \* Capital Repayment.

## DEVELOPMENT AND MILLING RESULTS

(Cumulative and comparative "this" financial year to March 31, 1960 with "last.")

Group	Company	Months since year end	Total Ore Reserves			Development Results						Mill Throughput									
						Payability			Tonnage			Gold Recovered			Working Profit						
			Ft. Sampled (000)	%	Av. Value (In.-dwt.)	Milled (000)	Cost per Ton	Ounces (000)	Grade (dwt. per ton)	Cost per ounce	Per ton	Per oz.									
Ft. Sampled (000)	Value (dwt.)	Inch dwt.	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last	This	Last			
Doornfontein . . . . .	9,2,651	7·4	306	23·3	16·0	92	88	490	361	850	790	61/6	61/4	345·8	328·4	8·1	8·3	151/6	147/3		
Libanon . . . . .	9,2,505	4·9	241	15·5	15·2	71	64	342	323	999	882	47/10	48/3	235·3	208·7	4·7	4·7	203/2	203/11		
Luipards Vlei . . . . .	9,1,410	4·5	176	8·0	11·6	55	66	256	241	628	629	42/7	41/11	110·5	109·3	3·5	3·5	241/1	241/5		
Rietfontein C. . . . .	3,117	5·5	302	1·3	1·4	28	60	319	420	48	48	57/3	56/8	12·6	12·7	5·3	5·3	217/11	214/4		
Robinson . . . . .	3,444	4·4	229	0·3	0·9	48	54	212	301	139	196	54/—	58/3	28·4	40·7	4·1	4·2	264/5	280/5		
Simmer . . . . .	3,612	4·3	194	5·6	5·5	27	40	274	282	234	258	47/7	48/1	40·9	49·3	3·3	3·5	3·8	272/4		
Sub Nigel . . . . .	9,653	7·8	307	15·8	14·9	27	27	349	309	594	596	53/—	52/7	139·2	142·8	4·7	4·8	225/9	219/6		
Venterspost . . . . .	9,2,256	5·7	317	32·8	36·1	49	64	450	462	1,117	1,147	54/3	53/4	283·1	286·2	5·1	5·0	214/—	213/8		
Vlakfontein . . . . .	3,1,638	7·9	328	8·2	7·8	47	42	399	396	153	148	55/8	55/7	54·7	53·3	7·1	7·2	155/9	154/11		
Vogels . . . . .	3,1,580	4·9	202	8·1	6·4	25	24	275	295	260	276	48/8	48/—	55·6	62·7	4·3	4·5	227/9	211/5		
W. Drie . . . . .	9,3,082	15·7	663	14·3	16·0	91	97	807	646	970	738	73/11	82/4	888·7	700·2	18·3	19·0	80/9	86/9		
Gold Fields																					
Anglo American																					
Brakpan . . . . .	3,1,593	4·8	257	4·4	3·7	22	10	666	615	422	407	28/9	28/5	51·1	48·7	2·4	2·4	237/2	237/9		
Daggia . . . . .	3,8,848	5·2	223	6·6	6·3	41	41	307	347	693	699	30/8	30/3	139·5	142·8	4·0	4·1	152/4	147/11		
East Daggia . . . . .	3,4,744	4·7	171	4·7	5·5	25	36	321	355	311	284	34/9	35/7	52·6	47·2	3·4	3·3	205/4	214/3		
F. S. Geduld . . . . .	6,2,766	20·9	928	4·9	4·9	92	90	1,235	1,604	559	449	77/3	78/7	479·2	339·1	17·1	15·1	90/2	104/—		
P. Brand . . . . .	6,3,804	18·1	977	4·5	3·4	88	79	996	1,089	687	580	61/3	63/2	562·8	439·8	16·4	15·2	74/9	83/4		
P. Steyn . . . . .	6,4,869	8·3	379	7·7	5·9	84	83	429	510	604	558	62/5	57/8	237·5	217·4	7·9	7·8	158/10	148/—		
S.A. Lands . . . . .	3,3,570	5·9	264	7·5	4·8	34	38	410	495	284	273	43/3	40/5	59·0	57·4	4·2	4·2	207/8	192/3		
Springs . . . . .	3,1,171	4·4	186	4·4	2·5	27	36	398	387	311	307	31/10	32/5	43·2	42·2	2·8	2·8	229/1	235/5		
Vaal Reefs . . . . .	3,2,950	9·4	373	8·8	7·8	79	86	661	577	278	239	66/1	63/4	125·1	108·7	9·0	9·1	146/10	139/2		
Welkom . . . . .	6,3,997	7·3	320	7·2	9·2	84	66	451	384	577	545	64/5	59/1	182·0	165·9	6·3	6·1	204/1	194/3		
W. Holdings . . . . .	6,4,730	16·0	757	8·3	7·5	85	91	993	1,034	853	604	56/8	58/2	561·9	357·6	13·2	11·8	86/1	98/2		
W. Reefs . . . . .	3,4,573	6·8	309	10·7	10·9	60	42	650	566	400	342	52/3	50/3	112·5	88·2	5·6	5·2	186/—	194/6		
Central Mining																					
Blyvoor . . . . .	9,6,203	14·1	606	13·1	9·8	78	88	572	726	1,148	959	64/11	69/1	752·3	628·7	13·1	13·1	99/—	105/5		
City Deep . . . . .	3,3,461	5·9	240	4·6	4·9	48	38	346	365	331	338	51/10	50/5	69·9	70·8	4·2	4·2	245/6	240/8		
Cons. M. R. . . . .	9,1,029	5·5	239	5·8	13·8	12	20	381	318	785	1,132	46/3	37/10	150·0	181·5	3·8	3·2	241/11	236/1		
Crown . . . . .	3,5,230	5·0	224	6·4	3·8	28	18	309	281	615	655	40/6	38/3	101·8	102·3	3·3	3·1	244/7	244/9		
Durban Deep . . . . .	3,7,747	4·0	230	12·1	9·9	48	65	336	310	571	549	40/4	40/6	104·2	101·1	3·7	3·7	221/11	219/1		
E. Rand Prop. . . . .	3,5,427	6·3	298	2·5	0·9	48	60	508	581	652	645	55/6	53/4	166·9	166·1	5·1	5·2	216/11	207/—		
Harmony . . . . .	9,3,897	9·1	480	11·1	5·9	72	88	502	512	1,284	913	64/6	68/10	511·8	366·1	7·9	8·0	161/11	171/9		
Modder E. . . . .	9,492	3·9	154	2·6	2·5	31	24	186	150	1,221	1,196	24/4	24/4	216·9	118·5	2·0	2·0	249/3	247/—		
Rose Deep . . . . .	3,79	7·1	334	0·0	0·3	—	32	—	262	8	117	40/7	34/8	13·2	16·2	3·3	2·8	245/8	250/1		
T'vaal G.M.E. . . . .	3,115	9·6	—	1·3	1·4	8	37	275	300	21	21	71/4	70/2	5·9	5·8	5·6	5·5	255/5	251/5		
J.C.I.																					
E. Ch'p d'Or . . . . .	3,132	0·9	27	1·8	1·5	23	27	40	41	36	36	52/5	51/2	0·9	0·8	0·5	0·5	—	—		
Freddies Cons. . . . .	3,1,005	5·5	220	1·0	1·5	46	63	333	399	173	166	73/7	76/9	39·4	41·5	4·6	5·0	322/11	307/—		
Govt. G.M.A. . . . .	3,328	5·9	419	0·0	0·1	—	62	—	230	159	165	52/3	51/9	26·7	28·9	3·4	3·5	311/—	295/5		
Randfontein . . . . .	3,285	4·7	240	0·4	0·0	72	—	342	—	67	89	45/4	39/—	12·7	15·6	3·8	3·5	2/9	5/3		
Union Corporation																					
E. Geduld . . . . .	3,7,250	5·9	313	0·0	1·3	—	46	—	192	401	390	35/3	35/2	118·1	119·6	5·9	6·1	119/7	114/9		
Geduld Prop. . . . .	3,400	3·8	224	0·9	2·1	33	33	411	360	222	206	38/5	42/3	40·6	38·2	3·7	3·7	210/1	228/—		
Grootvlei . . . . .	3,12,500	4·5	216	5·0	4·3	55	64	261	318	645	595	30/9	32/1	134·7	126·2	4·2	4·2	147/2	151/3		
Marievale . . . . .	3,5,400	5·0	235	4·3	4·6	44	31	221	193	297	265	36/1	39/2	72·7	67·0	4·9	5·1	147/5	154/10		
St. Helena . . . . .	3,4,000	7·5	412	3·9	5·5	49	59	729	626	460	415	43/—	42/11	153·3	123·2	6·7	5·9	129/—	144/8		
Van Dyk . . . . .	3,250	3·9	195	2·4	2·4	41	33	293	352	215	225	39/8	40/5	36·7	42·4	3·4	3·8	232/2	214/5		
Winkelhaak . . . . .	3,1,600	6·8	408	6·3	5·4	89	75	575	430	242	206	50/8	52/5	74·3	48·3	6·1	4·7	164/10	223/5		
General Mining																					
Buffelsfontein . . . . .	9,3,034	9·8	601	15·8	21·7	88	95	609	652	1,285	1,103	56/7	53/9	496·4	375·3	7·7	6·8	146/5	158/—		
Ellatton . . . . .	9,310	8·6	362	1·0	2·2	50	59	413	419	266	281	40/6	38/6	62·0	65·9	4·7	4·7	173/8	164/2		
Stilfontein . . . . .	3,5,265	9·4	380	7·0	5·9	74	52	381	327	454	387	66/8	61/6	204·4	196·0	9·0	10·1	148/2	121/6		
S. Roodepoort . . . . .	9,1,097	4·8	226	7·7	11·2	15	27	248	311	269	267	45/—	44/—	64·1	63·5	4·8	4·8	188/8	185/—		
W. Rand Cons. . . . .	3,4,759	3·4	166	4·2	4·9	71	64	287	344	373	387	—	—	58·3	62·6	3·1	2·0	—	—		
Anglo T'vaal																					
Hartebeest . . . . .	9,2,633	9·7	378	28·1	25·8	85	94	400	444	877	779	66/2	64/7	437·1	425·7	10·0	10·9	132/9	118/2		
Lorraine . . . . .	6,1,092	5·2	201	7·5	3·1	44	58	518	456	445	457	56/7	54/2	94·5	87·1	4·1	3·9	278/8	276/7		
Rand Leases . . . . .	9,1,920	4·2	189	23·0	23·0	41	47	289	269	1,665	1,632	35/2	35/4	249·0	239·1	3·0	2·9	235/3	241/5		
Village M.R. . . . .	9,—	—	—	—	—	—	—	—	—	273	243	38/3	43/8	42·1	42·9	3·1	3·5	248/3	247/6		
Virginia . . . . .	3,2,301	5·4	268	6·5	9·5	29	28	304	303	387	351	55/8	61/—	87·0	89·1	4·5	5·1	247/4	240/5		
Others	N. Klein . . . . .	3,1,193	3·4	153	3·5	4·9	40	35	238	267	245	31/11	31/11	30·5	31·7	2·6	2·6	248/9	246/7		
Sparwater . . . . .	3,263	5·8	218	2·2	2·3	25	28	304	274	32	32	76/8	76/10	10·1	10·0	6·2	6·3	247/—	245/10		
Wit. Nigel . . . . .	9,753	4·8	178	9·6	12·0	27	29	230	266	168	160	53/7	54/6	39·2	38·9	4·3	4·8	229/8	224/4		

# GOLD FIELDS GROUP COMPANIES

49 MOORGATE, LONDON, E.C.2.

Directors' Reports of Gold Mining Companies operating in the Union of South Africa, for Quarter ended 31st March, 1960.

(All Companies mentioned are incorporated in the Union of South Africa, unless otherwise stated.)

## DOORNFONTEIN GOLD MINING COMPANY LIMITED.

ISSUED CAPITAL £4,914,000 IN 9,828,000 SHARES OF 10s. EACH		
PRODUCTION	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>Gold</b>		
Tons milled.....	<b>283,000</b>	850,000
Total yield ounces fine.....	<b>*115,317</b>	345,812
Yield per ton milled (dwt.).....	<b>8,150</b>	8.137
Working Revenue per ton milled.....	<b>102s. 1d.</b>	101s. 11d.
Working Expenditure per ton milled.....	<b>61s. 7d.</b>	61s. 8d.
Working Profit per ton milled.....	<b>40s. 6d.</b>	40s. 3d.
Working Revenue.....	<b>£1,444,471</b>	£4,330,519
Working Expenditure.....	<b>871,530</b>	2,619,883
Working Profit.....	<b>£572,941</b>	£1,710,636
<b>Uranium Oxide</b>		
Tons treated in leaching plant.....	<b>74,000</b>	233,000
Total yield Uranium Oxide (lb.).....	<b>24,904</b>	75,356
Yield per ton treated Uranium Oxide (lb.).....	<b>0.337</b>	0.323
Uranium Oxide sold (lb.).....	<b>26,756</b>	75,242
Revenue (subject to adjustment).....	<b>£114,916</b>	£333,363
Treatment Costs.....	<b>£43,124</b>	£125,834
Service Fee paid to West Driefontein.....	<b>£23,892</b>	£73,529
Profit.....	<b>£47,000</b>	£134,000
<b>Total Working Profit</b> .....	<b>*£619,941</b>	<b>*£1,844,636</b>
Capital Expenditure.....	<b>£149,520</b>	£345,227
Uranium Loan Instalment.....	<b>£9,900</b>	£29,700
State's Share of Profit.....	<b>Nil</b>	Nil
Taxation.....	<b>Nil</b>	Nil

NOTES : (1) \*Estimated effects of electricity power cut during March, 1960. Decrease in Profit, £17,750; Reduction of Gold Output, ounces, 2,044. (2) The West Driefontein Uranium Plant, to which this Company and West Driefontein Gold Mining Company Limited contribute uranium bearing slime for the extraction of uranium oxide, was allocated a uranium sales quota for 1959 of 276,200 lbs. The quota for the year ending 31st December, 1960, has not yet been finally determined but is unlikely to be materially different from the 1959 quota.

### DEVELOPMENT

Footage Advanced.....	<b>15,907</b>	45,225
Footage Sampled.....	<b>7,775</b>	23,255
Payable—Footage.....	<b>7,240</b>	21,295
Per Cent.....	<b>93.1</b>	91.6
Stopes Width (in.).....	<b>42.1</b>	41.2
Stopes Value—Gold (dwt./ton).....	<b>10.8</b>	11.9
Inch-dwt. Gold.....	<b>445</b>	490
Stopes Value—Uranium oxide (lb./ton).....	<b>0.23</b>	0.22
Inch-lb. Uranium oxide.....	<b>9.5</b>	9.1

## THE SUB NIGEL LIMITED

ISSUED CAPITAL £22,148 IN 1,771,875 SHARES OF 3d. EACH

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>OPERATIONS</b>		
Tons milled.....	<b>197,000</b>	593,500
Total yield ounces fine.....	<b>45,548</b>	139,222
Yield per ton milled (dwt.).....	<b>4,624</b>	4,692
Working Revenue per ton milled.....	<b>57s. 11d.</b>	58s. 9d.
Working Expenditure per ton milled.....	<b>52s. 8d.</b>	53s. 0d.
Working Profit per ton milled.....	<b>5s. 3d.</b>	5s. 9d.
Working Revenue.....	<b>£570,255</b>	£1,742,844
Working Expenditure.....	<b>518,831</b>	1,571,489
Working Profit.....	<b>£51,424</b>	£171,355
Capital Expenditure.....	<b>£31</b>	Cr. £6,250
Taxation.....	<b>£12,966</b>	£63,406

**AGREEMENT WITH SPAARWATER GOLD MINING COMPANY LIMITED.**  
An agreement has been entered into with Spaarwater Gold Mining Company Limited permitting this Company to carry out development and, subject to the approval of the Minister of Mines, stopping operations in a portion of the Spaarwater Company's lease area on a royalty basis. Under this agreement 341 feet of development was accomplished during the quarter, and of the 325 feet sampled 40 feet equal to 12.3 per cent proved payable at an average value of 11.6 dwt. per ton over an estimated stopping width of 37.0 inches equivalent to 429 inch-dwt.

## VOGELSTRUISBUILT GOLD MINING AREAS LIMITED.

ISSUED CAPITAL £62,857 IN 5,028,571 SHARES OF 3d. EACH

PRODUCTION	Quarter ended 31st March, 1960	Year ended 31st Dec., 1959
<b>Gold</b>		
Tons milled.....	<b>260,000</b>	1,091,000
Total yield ounces fine.....	<b>55,597</b>	242,679
Yield per ton milled (dwt.).....	<b>4,277</b>	4,449
Working Revenue per ton milled.....	<b>53s. 8d.</b>	55s. 9d.
Working Expenditure per ton milled.....	<b>48s. 8d.</b>	48s. 5d.
Working Profit per ton milled.....	<b>5s. 0d.</b>	7s. 4d.
Working Revenue.....	<b>£697,890</b>	£3,043,107
Working Expenditure.....	<b>633,205</b>	2,643,164
Working Profit.....		<b>£64,685</b>
<b>Uranium Oxide and Pyrite</b>		<b>£399,943</b>
Tons treated in leaching plant.....	<b>118,400</b>	488,400
Total yield Uranium Oxide (lb.).....	<b>52,913</b>	210,758
Yield per ton treated, Uranium Oxide (lb.).....	<b>0.447</b>	0.432
Uranium Oxide sold (lb.).....	<b>56,063</b>	208,640
Total pyrite produced and sold (ton).....	<b>7,570</b>	31,851
Revenue (subject to adjustment).....	<b>£283,874</b>	£1,109,770
Treatment Costs.....	<b>118,874</b>	474,770
Working Profit.....		<b>£165,000</b>
<b>Total Working Profit</b> .....	<b>£229,685</b>	<b>£1,034,943</b>
Taxation.....	<b>£94,698</b>	£339,869
Capital Expenditure.....		<b>£259</b>
Uranium Loan Instalment.....	<b>£72,000</b>	£288,000
NOTE—The Company's uranium sales quota for 1959 was 208,640 lbs. The quota for the two months ending 31st December, 1960, has not yet been finally determined but is unlikely to be materially different from the 1959 quota.		
<b>DEVELOPMENT</b>		
<b>Main Reef</b>		
Footage Sampled.....	<b>4,475</b>	16,440
Payable—Footage.....	<b>1,295</b>	5,055
Per Cent.....	<b>28.9</b>	30.7
Stopes Width (in.).....	<b>40.9</b>	41.3
Stopes Value (dwt./ton).....	<b>7.6</b>	6.4
Inch-dwt. ....	<b>311</b>	264
<b>Kimberley Reef</b>		
Footage Sampled.....	<b>3,650</b>	13,560
Payable—Footage.....	<b>730</b>	3,660
Per Cent.....	<b>20.0</b>	27.0
Stopes Width (in.).....	<b>42.9</b>	44.3
Gold : Value (dwt./ton).....	<b>4.8</b>	5.3
Inch-dwt. ....	<b>206</b>	235
Uranium Oxide : Value (lb./ton) .....	<b>0.28</b>	0.29
Inch-lb. ....	<b>12.0</b>	12.8
<b>Total Development</b>		
Footage Advanced.....	<b>10,504</b>	43,696
Footage Sampled.....	<b>8,125</b>	30,000
Payable—Footage.....	<b>2,025</b>	8,715
Per Cent.....	<b>24.9</b>	29.1
Stopes Width (in.).....	<b>41.6</b>	42.6
Gold : Value (dwt./ton) .....	<b>6.6</b>	5.9
Inch-dwt. ....	<b>275</b>	251

## ROBINSON DEEP LIMITED

ISSUED CAPITAL £550,000 IN 2,000,000 "B" SHARES OF 5s. 6d. EACH

OPERATIONS	Quarter ended 31st March, 1960	Year ended 31st December, 1959
Tons milled.....	<b>139,000</b>	685,500
Total yield ounces fine.....	<b>28,378</b>	140,812
Yield per ton milled (dwt.).....	<b>4,083</b>	4,108
Working Revenue per ton milled.....	<b>51s. 2d.</b>	51s. 5d.
Working Expenditure per ton milled.....	<b>54s. 0d.</b>	54s. 8d.
Working Loss per ton milled.....	<b>2s. 10d.</b>	3s. 3d.
Working Revenue.....	<b>£355,576</b>	£1,761,547
Working Expenditure.....	<b>375,453</b>	1,873,760
Working Loss.....	<b>£19,877</b>	£112,213
Capital Expenditure.....	<b>£854</b>	£49,606
Taxation.....	<b>Nil</b>	Nil
<b>DEVELOPMENT</b>		
Footage Advanced.....	<b>817</b>	3,502
Footage Sampled.....	<b>320</b>	2,675
Payable—Footage.....	<b>155</b>	1,405
Per Cent.....	<b>48.4</b>	52.5
Stopes Width (in.).....	<b>45.2</b>	47.6
Stopes Value (dwt./ton) .....	<b>4.7</b>	7.3
Inch-dwt. ....	<b>212</b>	347

NOTE.—In view of the working losses sustained a further reduction in the scale of operations was implemented during the quarter ended 31st March, 1960, and stopping is now confined, as far as possible, to ore reserve blocks only.

**THE LUIPAARDS VLEI ESTATE  
AND GOLD MINING COMPANY LIMITED.**  
(Incorporated in England) (Head Office : Johannesburg)

ISSUED CAPITAL £496,911 IN 4,969,105 SHARES OF 2s. EACH

## PRODUCTION

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
Tons milled	200,000	628,000
Total yield ounces fine	34,841	110,451
Yield per ton milled (dwt.)	3.484	3.518
Working Revenue per ton milled	43s. 2d.	44s. 1d.
Working Expenditure per ton milled	42s. 2d.	42s. 7d.
Working Profit per ton milled	1s. 7d.	1s. 6d.
Working Revenue	£437,230	£1,384,325
Working Expenditure	421,443	1,336,497
Working Profit	£15,787	£47,828
<b>Bird Reef Section</b>		
Tons milled for gold and treated in leaching plant	152,000	462,000
Total yield gold ounces fine	4,640	13,953
Total yield uranium oxide (lb.)	192,536	589,202
Yield per ton treated uranium oxide (lb.)	1,267	1,275
Uranium oxide sold (lb.)	204,426	589,342
Working Revenue (subject to adjustment)	800,204	2,427,906
Working Expenditure :		
Mining and Milling	£421,757	£1,305,359
Treatment Costs	96,447	282,547
Working Profit	518,204	1,587,906
<b>Total Working Profit</b>	<b>£282,000</b>	<b>£840,000</b>
Taxation	£95,171	£332,169
Capital Expenditure	£3,413	£13,964
Uranium Loan Instalment	£88,500	£265,500

NOTE.—The Company's uranium sales quota for 1959 was 763,020 lbs. The quota for the twelve months ending 31st December, 1960, has not yet been finally determined but is unlikely to be materially different from the 1959 quota.

## DEVELOPMENT

Main Reef Section (Gold)			
Footage Advanced	8,436	25,516	
Footage Sampled	2,855	8,035	
Payable—Footage	1,500	4,430	
Per Cent	52.5	55.1	
Stop Width (in.)	38.5	39.4	
Stop Value (dwt./ton)	7.0	6.5	
Inch-dwt.	270	256	
Bird Reef Section (Uranium)			
Footage Advanced	19,967	59,918	
Footage Sampled	4,145	12,605	
Payable—Footage	2,510	7,940	
Per Cent	60.6	63.0	
Stop Width (in.)	36.1	37.0	
Gold—Value (dwt./ton)	1.4	1.6	
Inch-dwt.	51	59	
Uranium Oxide—Value (lb./ton)	1.90	2.57	
Inch-lb.	68.6	95.1	

Diamond drilling from surface to prospect the area between No. 1 and the Witpoortje faults continued throughout the quarter ended 31st March, 1960.

**WEST WITWATERSRAND AREAS LIMITED**

ISSUED CAPITAL £1,129,110 IN 9,032,883 SHARES OF 2s. 6d. EACH

The total footage drilled during the quarter amounted to 4,909 feet. The borehole situation at the end of March, 1960, is set out in the following tabulation:

Bore-hole No.	Depth in feet at 31st March	Advance during Quarter (ft.)	Geological Division	Rock Types Encountered
21	Farm Rietfontein No. 349	3,097	2,165	Dolomite Series
22	Doornkloof No. 350	3,143	1,705	Dolomite Series
E.8K	Kleinfontein No. 141	716	426	Dolomite Series
E.8L	Kleinfontein No. 141	520	192	Dolomite Series
E.10E	Gerhardminnenbron No. 139	1,588	421	Dolomite Series

**BOREHOLE NO. 21**—This borehole was advanced by 2,165 feet to a depth of 3,097 feet. The formation traversed consisted of dolomite with bands of chert, a few bands of carbonaceous shale and a basic intrusive between 2,986 and 2,993 feet.

**BOREHOLE NO. 22**—Drilling in this borehole passed the depth of 1,438 feet at which point it was originally suspended to detect and re-drill the borehole to correct excessive deflection. It was advanced 1,705 feet to a depth of 3,143 feet. It traversed basic dolomite to a depth of 1,528 feet, followed by dolomite with bands of chert to the quarter-end depth of 1,920 feet.

**BOREHOLE NO. E.8K**—Drilling in this borehole proceeded in cavernous dolomite to a depth of 515 feet, followed by solid dolomite with bands of chert, the borehole being advanced 426 feet to a depth of 716 feet.

**BOREHOLE NO. E.8L**—Progress in this borehole has been very slow on account of breakages on the machine causing delays. The borehole was advanced 192 feet through cavernous dolomite, with wad, clay and gravel in the cavities to a depth of 520 feet.

**BOREHOLE NO. E.10E**—This borehole progressed 421 feet to 1,588 feet. It traversed dolomite, cracked and fissured dolomite with a large open cavity and dolomitic breccia.

**WEST DRIEFONTEIN GOLD MINING COMPANY LIMITED**

ISSUED CAPITAL £3,520,540 IN 7,041,080 SHARES OF 10s. EACH

## PRODUCTION

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
Tons milled	345,000	970,000
Total yield ounces fine	*316,747	*888,678
Yield per ton milled (dwt.)	18.362	18.323
Working Revenue per ton milled	230s. 2d.	229s. 7d.
Working Expenditure per ton milled	70s. 11d.	73s. 11d.
Working Profit per ton milled	159s. 3d.	155s. 8d.
Working Revenue	£3,969,660	£11,135,892
Working Expenditure	1,223,201	3,587,235
Working Profit	£2,746,459	£7,548,657
<b>Uranium Oxide</b>		
Tons treated in leaching plant	141,000	426,000
Total yield Uranium Oxide (lb.)	45,329	135,719
Yield per ton treated Uranium Oxide (lb.)	0.321	0.319
Uranium Oxide sold (lb.)	49,043	135,838
Revenue (subject to adjustment)	£202,919	£595,319
Service Fee received from Doornfontein	£23,892	£73,529
Treatment Costs	£78,811	£220,848
Profit	£148,000	£448,000
<b>Total Working Profit</b>	<b>£2,894,459</b>	<b>£7,996,657</b>
Capital Expenditure	£493,941	£1,001,410
Uranium Loan Instalment	£75,600	£226,800
State's Share of Profits	£359,207	£992,974
Taxation	£954,113	£2,646,950

NOTES : 1. \*Estimated effects of electricity power cut during March, 1960: Decrease in Profit, £139,840; Reduction of Gold Output, Ounces, 12,873.

2. The West Driefontein Uranium Plant, to which this Company and Doornfontein Gold Mining Company Limited contribute uranium-bearing slimes for the extraction of uranium oxide, was allocated a uranium sales quota for 1959 of 276,200 lbs. The quota for the year ending 31st December, 1960, has not yet been finally determined but is unlikely to be materially different from the 1959 quota.

3. **PROPOSED CAPITALISATION ISSUE OF 7,041,080 SHARES.** In a Circular dated 11th April, 1960, Members were advised that the Directors recommend that £3,520,540 of the balance on Share Premium Account be capitalised and applied in paying up in full at par 7,041,080 shares of 10s. each, which shares will be issued credited as fully paid to the holders of shares in the capital of the Company in the ratio of one capitalisation share for every share held at the close of business on 18th May, 1960. The new shares, when issued, will rank pari passu in all respects with the existing issued shares of the Company.

In order to implement this recommendation an Extraordinary General Meeting of Members will be held in Gold Fields Building, 75, Fox Street, Johannesburg, on Tuesday, 3rd May, 1960, at 10 a.m.

## DEVELOPMENT

Carbon Leader	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
Footage Advanced	7,633	32,824
Footage Sampled	1,765	9,985
Payable—Footage	1,765	9,712
Per Cent	100.0	97.2
Stop Width (in.)	42.0	42.0
Stop Value Gold (dwt./ton)	22.0	18.3
Inch-dwt.—Gold	924	769
Stop value—Uranium Oxide (lb./ton)	0.34	0.26
Inch-lb.—Uranium Oxide	14.3	10.9
<b>Entersdorf Contact Reef</b>		
Footage Advanced	6,050	13,815
Footage Sampled	1,775	4,335
Payable—Footage	1,560	3,315
Per Cent	87.9	76.5
Stop Width (in.)	43.2	43.5
Stop Value (dwt./ton)	17.1	21.2
Inch-dwt.	739	922

A total distance of 494 feet was advanced in the area held under prospecting permit.

**No. 4 SHAFT**—Sinking at this shaft was resumed during February, 1960, and the shaft was sunk a distance of 169 feet to a total depth of 1,836 feet during the quarter ended 31st March, 1960.

**VLAKFONTEIN GOLD MINING COMPANY LIMITED.**

ISSUED CAPITAL £3,000,000 IN 6,000,000 SHARES OF 10s. EACH

	Quarter ended 31st March, 1960	Year ended 31st December, 1959
<b>OPERATIONS</b>		
Tons milled	153,000	609,500
Total yield ounces fine	54,683	218,552
Yield per ton milled (dwt.)	7,148	7,172
Working Revenue per ton milled	89s. 6d.	89s. 8d.
Working Expenditure per ton milled	55s. 8d.	55s. 8d.
Working Profit per ton milled	33s. 10d.	34s. 0d.
Working Revenue	£684,479	£2,732,338
Working Expenditure	425,908	1,696,184
Working Profit	£258,571	£1,036,154
Capital Expenditure	Cr. £643	Cr. £10,976
Taxation	£130,940	£493,565
<b>DEVELOPMENT</b>		
Footage Advanced	9,503	41,791
Footage Sampled	8,230	34,265
Payable—Footage	3,880	14,500
Per Cent	47.1	42.3
Stop Width (in.)	41.1	41.6
Stop Value (dwt./ton)	9.7	9.2
Inch-dwt.	399	383

## RIETFONTEIN CONSOLIDATED MINES LTD.

ISSUED CAPITAL £14,028 IN 1,122,252 SHARES OF 3d. EACH

	Quarter ended 31st March, 1960	Year ended December, 1959
<b>OPERATIONS</b>		
Tons milled	48,000	192,000
Total yield ounces fine	12,625	50,910
Yield per ton milled (dwt.)	5,260	5,303
Working Revenue per ton milled	65s. 1d.	66s. 5d.
Working Expenditure per ton milled	57s. 3d.	56s. 10d.
Working Profit per ton milled	8s. 8d.	9s. 7d.
Working Revenue	£158,164	£637,229
Working Expenditure	137,338	545,391
<b>Working Profit</b>	<b>£20,826</b>	<b>£91,838</b>
Capital Expenditure	£813	£203
Taxation	£10,477	£37,353
<b>DEVELOPMENT</b>		
Footage Advanced	3,302	16,787
Footage Sampled	1,335	6,020
Payable—Footage	380	2,580
Per Cent	28.5	42.9
Stopes Width (in.)	49.8	53.8
Stopes Value (dwt./ton)	6.4	7.0
Inch-dwt.	319	377

In addition, 457 feet of exploratory development was carried out under prospecting permit outside the south-western boundary of the mine, during the quarter ended 31st March, 1960.

## VENTERSPOST GOLD MINING CO. LTD.

ISSUED CAPITAL £2,450,000 IN 4,900,000 SHARES OF 10s. EACH

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>OPERATIONS</b>		
Tons milled	362,000	1,117,000
Total yield ounces fine	*92,162	*283,116
Yield per ton milled (dwt.)	5,092	5,069
Working Revenue per ton milled	63s. 10d.	63s. 6d.
Working Expenditure per ton milled	55s. 4d.	54s. 3d.
Working Profit per ton milled	8s. 6d.	9s. 3d.
Working Revenue	£1,155,333	£3,547,286
Working Expenditure	1,001,738	3,028,751
<b>Working Profit</b>	<b>*£153,595</b>	<b>*£518,535</b>
Capital Expenditure	£27,468	£96,982
Taxation	£34,670	£139,713
* Estimated effects of electricity power cut during March, 1960: Decrease in Profit, £42,980. Reduction of Gold Output Ounces 3,994.		
<b>DEVELOPMENT</b>		
Footage Advanced	15,679	51,225
Footage Sampled	9,730	32,845
Payable—Footage	4,935	16,180
Per Cent	50.7	49.3
Stopes Width (in.)	56.9	56.9
Stopes Value (dwt./ton)	7.7	7.9
Inch-dwt.	438	450

## FREE STATE SAAIPLAAS GOLD MINING COMPANY LIMITED

ISSUED CAPITAL £9,715,531 IN 19,431,062 SHARES OF 10s. EACH

**NO. 1 SHAFT**—The footage advanced at this shaft during the quarter amounted to 7,475 feet. The footage sampled totalled 1,605 feet of which 600 feet, equal to 37.4 per cent proved payable at an average value of 5.6 dwt. per ton over an estimated stoping width of 50.5 inches, equivalent to 283 inch-dwt. Progress was retarded by water bearing fissures requiring cementation treatment.

**NO. 2 SHAFT**—Development commenced on all levels and a total of 3,292 feet was advanced from this shaft, all of which was off reef. The initial development was mainly directed towards the completion of station layouts and the cutting of

## LIBANON GOLD MINING COMPANY LTD.

ISSUED CAPITAL £3,968,650 IN 7,937,300 SHARES OF 10s. EACH

	Quarter ended 31st March, 1960	Nine months ended 31st March, 1960
<b>OPERATIONS</b>		
Tons milled	336,000	999,000
Total yield ounces fine	*79,668	*235,342
Yield per ton milled (dwt.)	4,742	4,712
Working Revenue per ton milled	59s. 5d.	59s. 0d.
Working Expenditure per ton milled	48s. 3d.	47s. 10d.
Working Profit per ton milled	11s. 2d.	11s. 2d.
Working Revenue	£97,967	£2,946,899
Working Expenditure	810,949	2,389,930
<b>Working Profit</b>	<b>*£187,018</b>	<b>*£556,969</b>
Capital Expenditure	£100,168	£326,484
Taxation	Nil	Nil
* Estimated effects of electricity power cut during March, 1960: Decrease in Profit, £7,490. Reduction of Gold Output Ounces 951.		
<b>DEVELOPMENT</b>		
Footage Advanced	17,886	56,145
Footage Sampled	6,355	15,455
Payable—Footage	4,550	11,040
Per Cent	71.6	71.4
Stopes Width (in.)	47.0	48.1
Stopes Value (dwt./ton)	7.4	7.1
Inch-dwt.	348	342

**HARVIE-WATT SHAFT**—During the quarter ended 31st March, 1960, the Harvie-Watt Shaft was sunk a distance of 502 feet to a total depth of 5,419 feet. In addition, the excavation of Nos. 17, 18 and 19 stations was completed.

## SIMMER AND JACK MINES LIMITED.

ISSUED CAPITAL £506,250 IN 6,750,000 SHARES OF 1s. 6d. EACH

	Quarter ended 31st March, 1960	Year ended December, 1959
<b>OPERATIONS</b>		
Tons milled	234,000	1,006,000
Total yield ounces fine	40,934	192,333
Yield per ton milled (dwt.)	3,499	3,824
Working Revenue per ton milled	43s. 10d.	47s. 10d.
Working Expenditure per ton milled	47s. 7d.	49s. 0d.
Working Loss per ton milled	3s. 9d.	1s. 2d.
Working Revenue	£512,792	£2,406,184
Working Expenditure	556,906	2,462,867
<b>Working Loss</b>	<b>£44,114</b>	<b>£56,683</b>
Capital Expenditure	Nil	Cr. £3,212
Taxation and State's Share of Profit	Nil	£361
<b>DEVELOPMENT</b>		
Footage Advanced	6,372	35,047
Footage Sampled	5,590	25,480
Payable—Footage	1,520	8,780
Per Cent	27.2	34.5
Stopes Width (in.)	49.0	44.2
Stopes Value (dwt./ton)	5.6	6.0
Inch-dwt.	274	265

the rock-pass systems.

**HOUSING**—A total of 412 houses has been authorised in Virginia Township. Of this number 279 have been built and 98 are in the course of construction.

**REDUCTION WORKS**—Construction work on both plant and buildings continued satisfactorily.

**NATIVE QUARTERS**—Work in connection with extensions to the living quarters to the Native Compound is progressing.

**GENERAL**—General construction work proceeded satisfactorily.

**NOTES.**—The development returns of the above Mining Companies show the actual sampling results: adjustments which may be required when estimating ore reserves have not been applied. Copies of the reports may be obtained from the London Secretary of the Companies, 49 Moorgate, London, E.C.2.

## ECONOMICS OF SOUTH AFRICAN GOLD MINING

by R. E. WALLACE and A. S. ROBERTSON

With illustrations by JOHN L. TURNER

**THIS** book (now available for the first time at a "popular" price) has been specially written for the non-technical mining investor by two Johannesburg accountants in collaboration with a geologist and a mining engineer. It explains how to make full use of the wealth of geological, mining and statistical data, published monthly and quarterly, by the South African groups.

Such information, which is almost invariably reported and commented on in the financial and mining press, often presupposes a degree of knowledge not only of geology and of the techniques of prospecting and mining

but also of the limits of economic mining and of the mathematics of share valuation, which many investors do not possess. It is this knowledge which *Economics of South African Gold Mining* supplies.

This book tips no shares, nor does it set out to evaluate the prospects for any particular mine. Its sole purpose is to present the essential background knowledge without which a considered view of this or that South African gold mining share is not possible. It does so in terms which the lay investor can understand, yet in sufficient detail to enable him to put the principles involved to practical use.

PRICE 12s. 6d.

LTD.  
ACH  
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March,  
1960  
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235,342  
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9s. 0d.  
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### What Does the Investor Do Now?

Meanwhile the Kaffir investor, who has seldom been characterised by an inclination to take the long view, can less than ever be expected to do so now, and the mining industry must reconcile itself to a period, possibly prolonged, in which Kaffirs (and indeed all South African shares) will be regarded in Continental markets and to a lesser extent in London and New York, as carrying a substantially increased political risk, on which correspondingly higher yields will be required.

It is too early to foresee precisely what added risk premium the market is going to require, but in view of the many attractive bargains which are now to be had in the Kaffir market it is clear that the prospective purchaser will require some kind of yardstick.

The *M.J.* has always counselled that the prospective purchaser should regard a yield of 8 per cent on eventual earnings as a prudent minimum requirement for mines not yet at peak production, with correspondingly higher yields for medium and short life mines. By industrial equity standards this is a high yield which takes account both of amortization requirements and of the risks inherent both in mining and in the South African political situation. We do not ourselves at present see any reason for changing this basis, because we do not consider that the events of the past few weeks have done anything to increase the political risk, but have served only to bring them out into the open.

(Continued on page 9)

Atlas Copco Jet drills in action in a development end on a Far West Rand gold mine

## SPAARWATER GOLD MINING COMPANY LIMITED

(Incorporated in the Union of South Africa)

### REPORT OF THE DIRECTORS For the Quarter ended 31st March, 1960

Tons milled	32,500	Per Ton Milled
Total yield ounces fine	10,084	s. d.
Total yield per ton (dwt.)	6.205	61 10
Working Revenue	£126,154	77 8
Cost of Mining and Milling	100,540	61 10
Excess of Revenue over Cost of Mining and Milling	25,614	15 10
Expenditure on Development	23,984	14 10
Working Profit	£1,630	1 0
Expenditure on Capital Account	Nil	
Government Taxes	Nil	

### DEVELOPMENT

The total footage advanced during the quarter amounted to 2,831 feet. The footage sampled amounted to 2,250 feet, of which 555 feet, equal to 24.7 per cent, proved payable at an average value of 7.5 dwt. per ton over an estimated stoping width of 40.5 inches, equivalent to 304 inch-dwt.

Not included above is 341 feet of development advanced by The Sub Nigel Limited in the Spaarwater lease area under a tribute agreement with that company. The footage sampled amounted to 325 feet, of which 40 feet, equal to 12.3 per cent proved payable at an average value of 11.6 dwt. per ton over an estimated stoping width of 37.0 inches, equivalent to 429 inch-dwt.

**Western Section of Mine**—Development in the Western Section continued during the quarter. The footage sampled amounted to 1,560 feet, of which 420 feet, equal to 26.9 per cent, proved payable at an average value of 8.2 dwt. per ton over an estimated stoping width of 36.9 inches, equivalent to 303 inch-dwt.

In addition 314 feet were advanced under prospecting permission in the area outside the western boundary of the mine. The footage sampled amounted to 305 feet, all of which proved unpayable.

Development returns show the actual sampling results: adjustments which may be required when estimating ore reserves have not been applied.

By Order of the Board,  
E. A. O'CONNOR, London Secretary.  
London Office: 120 Moorgate, London, E.C.2.  
13th April, 1960.

## WITWATERSRAND NIGEL, LIMITED

(Incorporated in the Union of South Africa)

### REPORT OF THE DIRECTORS For the Quarter ended 31st March, 1960

PRODUCTION	
Tons Milled	56,900
Yield (in oz. fine)	13,086
Yield per Ton Milled (dwt.)	4.600
Working Revenue	£163,938
Working Costs	149,905
Working Profit	14,033
Add: Sundry Revenue	£2,220
NET PROFIT	£16,253

(\*229s. Id. per oz. fine)

### CAPITAL EXPENDITURE

The Capital Expenditure for the Quarter amounted to £683.

### DEVELOPMENT

Development Footage	5,270 feet
Footage on Reef	3,124 feet
Footage Sampled	3,105 feet

The payable reef disclosures were as follows:-

710 feet, or 23%, averaging 15.70 dwt. per ton over a width of 14.37 inches, equivalent to 225 inch-dwts.

(No allowance has been made in the above results for adjustments necessary before calculation of the corresponding Ore Reserve.)

By Order of the Board,  
E. A. O'CONNOR, London Secretary.

London Office: 120 Moorgate, London, E.C.2.  
21st April, 1960.

# THE CENTRAL MINING—RAND MINES GROUP

South African Mining Companies' Directors' Reports for Quarter ended 31st March, 1960.

Office of the London Secretaries : 4 London Wall Buildings, E.C.2

The development values quoted hereunder represent actual results of sampling, no allowance having been made for any adjustments which may be necessary when estimating ore reserves at the ends of the respective financial years.

## BLYVOORUITZICHT GOLD MINING COMPANY, LIMITED.

Ore Milled	378,000 tons	Slimes treated for Uranium		411,238 tons		URANIUM YIELD
		Ozs. Fine	Dwt. per ton	lb.	lb. per ton	
247,353	13,087			150,374	0.366	
				Uranium sold	163,443 lb.	
						Per ton Milled
						s. d.
Working Revenue—Gold				£3,098,805	163 11	
Working Expenditure—Gold				1,233,532	65 3	
<b>WORKING PROFIT</b>				£1,865,273	98 8	
Revenue—Uranium sold		£681,239				
Treatment Costs—Uranium sold		276,861				
Working Profit—Uranium sold				404,378		
Working Profit—Sulphuric Acid				40,372		
<b>TOTAL WORKING PROFIT</b>				£2,310,023		

Adjusting for Sundry Revenue (net) £42,800, less interest on Uranium and Sulphuric Acid Loans £22,800, the **TOTAL PROFIT** was £2,330,023.

Taxation and Lease Consideration £1,248,700.

Capital Expenditure (Gold, Uranium and Acid) £184,000.

Uranium and Sulphuric Acid Loan Accounts—Quarterly Instalment—

Capital Repayment, £134,500.

Mining operations and the production of gold and uranium were adversely affected by the restrictions on electric power supplies which were imposed by the Electricity Supply Commission during the third week of March, 1960.

The Atomic Energy Board has not yet allocated to this Company an Agency sales quota for the year ending 31st December, 1960, but it is not anticipated that there will be any material change in the quota of 653,720 lb. allocated for the previous year.

**DEVELOPMENT** totalled 17,688 feet.

### PAYABLE DISCLOSURES

Reef	Carbon Leader	Gold		Uranium		Channel Value lb./ton
		Footage Sampled	Feet	%	dwt./ton	
		4,990	4,325	86.7	91.4	7
						3.784

## CITY DEEP, LIMITED

Ore Milled	331,000 tons	Yield 69,888 oz. fine.		Yield per ton 4,223 dwt.		Per ton Milled
		Ozs. Fine	Dwt. per ton	lb.	lb. per ton	
Working Revenue				£875,271	52 11	
Working Expenditure				858,079	51 10	
<b>WORKING PROFIT</b>				£17,192	1 1	

Adjusting for Sundry Revenue £7,300, the **TOTAL PROFIT** was £24,492.

Taxation £700.

Capital Expenditure £2,900.

The Company has been classified, in terms of the Income Tax Act, as a deep level gold mine with effect from 1st January, 1959.

**DEVELOPMENT** totalled 9,585 feet.

### PAYABLE DISCLOSURES

Reef	South Reef	Footage Sampled		Channel Value dwt./ton		Channel Width Inches
		Feet	%	dwt./ton	Value	
		1,550	480	31.0	12.0	23
		2,220	1,590	71.6	26.5	14
		860	170	19.8	8.9	35
		4,630	2,240	48.4	19.2	18

## CONSOLIDATED MAIN REEF MINES AND ESTATE LIMITED

Ore Milled	225,000 tons	Yield 44,350 oz. fine.		Yield per ton 3,942 dwt.		Per ton Milled
		Ozs. Fine	Dwt. per ton	lb.	lb. per ton	
Working Revenue				£555,954	49 5	
Working Expenditure				537,535	47 9	
<b>WORKING PROFIT</b>				£18,419	1 8	

Adjusting for Sundry Revenue £6,300, the **TOTAL PROFIT** was £24,719.

Taxation £2,400.

**DEVELOPMENT** totalled 1,684 feet.

### PAYABLE DISCLOSURES

Reef	South Reef	Footage Sampled		Channel Value dwt./ton		Channel Width Inches
		Feet	%	dwt./ton	Value	
		350	90	25.7	12.1	18
		550	140	25.5	121.7	3
		200				
		1,100	230	20.9	34.1	9

## EAST RAND PROPRIETARY MINES, LIMITED.

Ore milled	652,000 tons.	Yield	166,940 oz. fine.	Yield per ton	5,121 dwt.	Per ton Milled
					s. d.	
Working Revenue					£2,092,252	64 2
Working Expenditure					1,810,526	55 6
<b>WORKING PROFIT</b>					£281,726	8 8

Adjusting for Sundry Revenue £1,100, the **TOTAL PROFIT** was £282,826.

Taxation £3,000.

Capital Expenditure on shaft sinking and equipment, etc. (Net) £232,800 on

Property, Dr. £5,600.

The Company has been classified, in terms of the Income Tax Act, as a deep level gold mine with effect from 1st January, 1959.

**DEVELOPMENT** totalled 13,327 feet.

PAYABLE DISCLOSURES						
Reef	Footage Sampled	Feet	Channel %	Channel Value dwt./ton	Channel Width Inches	
South Reef	560	150	26.8	8.8	49	
Main Reef Leader	210					
Composite Reef	860	600	69.8	33.5	15	
Main Reef	850	440	51.8	9.1	59	
<b>TOTALS &amp; AVERAGES</b>	2,480	1,190	48.0	14.1	36	

The Far East Sub-Vertical Shaft was sunk 343 feet and reached its final depth of 4,338 feet below the collar (9,361 feet below surface) on 19th February, 1960.

## HARMONY GOLD MINING COMPANY, LIMITED.

Ore Milled	441,000 tons	Slimes treated for Uranium	440,070 tons
		URANIUM YIELD	URANIUM YIELD
		lb.	lb.
Working Revenue—Gold	177,014	8,028	205,400
Working Expenditure—Gold			0.467
<b>WORKING PROFIT</b>			£767,180

Revenue—Uranium sold and Pyrites produced £930,824

Treatment costs—Uranium sold and Pyrites produced 343,838

Working Profit—Uranium sold and Pyrites produced 586,986

Working Profit—Sulphuric Acid 53,359

**TOTAL WORKING PROFIT** £1,407,525

Adjusting for interest on Uranium and Pyrites Loans £22,900 and interest on Central Mining Finance Loan £32,400, less Sundry Revenue £45,400, the **NET PROFIT** was £1,397,625.

Dividend No. 8 of 1s. 3d. per share, declared on 18th March, 1960, payable on or about 25th May, 1960, to Shareholders registered on 14th April, 1960—£1,125,000.

Capital Expenditure (Gold, Uranium, Pyrites and Acid) £413,800.

Uranium and Pyrites Loans—Quarterly Instalment—Capital Repayment, £95,000.

### OPERATIONS

Hoisting operations at No. 3 Shaft were interrupted and milling operations were consequently adversely affected during the first week of February due to a skip accident. Mining operations and the production of gold and uranium were adversely affected by the restrictions on electric power supplies which were imposed by the Electricity Supply Commission during the third week of March, 1960.

**URANIUM QUOTA**—The Atomic Energy Board has not yet allocated to this Company an Agency sales quota for the year ending 31st December, 1960, but it is not anticipated that there will be any material change in the quota of 492,780 lb. allocated for the previous year.

**TAXATION AND LEASE CONSIDERATION**—No South African taxation or Lease Consideration is as yet payable by the Company.

**NO. 2 SHAFT**—In addition to the normal reef and off-reef development accomplished during the quarter, 4,404 feet and 4,922 feet of off-reef development was done on 21 and 25 levels respectively.

**VENTILATION SHAFT**—The concrete fan drift is all but complete and erection of the fans is due to start early in April.

**SULPHURIC ACID PLANT**—The acid plant is producing at its rated capacity of approximately 120 tons per day.

**UNDERGROUND WATER**—During the quarter, the water pumped per 24 hours averaged 4,641,000 gallons and for the month of March 4,657,000 gallons.

**DEVELOPMENT**—Total 20,499 feet.

PAYABLE DISCLOSURES						
Reef	Footage Sampled	Feet	Channel %	Channel Value dwt./ton	Channel Width Inches	
Basal	2,935	2,450	83.5	18.8	29	

## CROWN MINES, LIMITED

Ore Milled 615,000 tons.	Yield 101,752 oz. fine.	Yield per ton 3.309 dwt.
Working Revenue	£1,274,834	Per ton Milled
Working Expenditure	1,244,990	s. d.
WORKING PROFIT	£29,844	41 6

Adjusting for Sundry Revenue £12,600, the TOTAL PROFIT was £42,444.

Taxation £13,400.

Capital Expenditure—Property, £4,700.

The Company has been classified, in terms of the Income Tax Act, as a deep level gold mine with effect from 1st January, 1959.

DEVELOPMENT totalled 9,395 feet.

## — PAYABLE DISCLOSURES —

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Kimberley Reef	580	220	37.9	4.8	43
South Reef	1,160	360	31.0	16.7	18
Main Reef Leader	2,370	640	27.0	18.6	17
Main Reef	2,245	585	26.1	9.7	36
TOTALS & AVERAGES	6,355	1,805	28.4	11.9	26

## ROSE DEEP, LIMITED.

Ore milled 80,000 tons. Yield 13,225 oz. fine. Yield per ton 3.306 dwt.

Working Revenue	£165,734	Per ton Milled
Working Expenditure	162,535	s. d.
WORKING PROFIT	£3,199	41 5

Adjusting for Sundry Revenue £1,400, the Total Profit was £4,599.

Taxation £400.

DEVELOPMENT—No development was done during the quarter.

## TRANSVAAL GOLD MINING ESTATES, LIMITED

Ore Milled 21,000 tons. Yield 5,867 oz. fine. Yield per ton 5.588 dwt.

Working Revenue	£78,747	Per ton Milled
Working Expenditure	74,937	s. d.
WORKING PROFIT	£3,810	75 0

Adjusting for Sundry Revenue £300, less expenses at Registered Office and in London, £3,500, the Net Profit was £610.

Working Expenditure includes development charges amounting to £6,274 equal to 5s. 11.7d. per ton milled.

Capital Expenditure—Equipment, etc. (Net.) Dr. £4,600.

The superphosphate plant commenced operation during January, 1960. However, as the demand for superphosphate fertiliser is seasonal, it will not be possible to give financial results of the operation of this plant more than once a year.

DEVELOPMENT totalled 1,260 feet.

## — PAYABLE REEF DISCLOSURES —

Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
1,300	100	7.7	27.5	10

## DURBAN ROODEPORT DEEP, LIMITED.

Ore Milled 571,000 tons.	Yield 104,246 oz. fine.	Yield per ton 3.651 dwt.
Working Revenue	£1,306,746	Per ton Milled
Working Expenditure	1,156,416	s. d.

WORKING PROFIT £150,330

Adjusting for Sundry Revenue £10,400, the TOTAL PROFIT was £160,730.

Taxation £23,000.

Capital Expenditure on shaft sinking and equipment (net) £35,000.

DEVELOPMENT totalled 24,861 feet.

## — PAYABLE DISCLOSURES —

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Kimberley Reef	6,570	3,310	50.4	6.7	45
South Reef	300	30	10.0	164.8	4
Main Reef	5,200	2,510	48.3	9.8	39

TOTALS & AVERAGES 12,070 5,850 48.5 8.0 42

No. 1.E Sub-vertical Shaft was raised 20 feet to a total height of 61 feet above the 40th level.

## MODDERFONTEIN EAST, LIMITED

Ore milled 403,000 tons.	Yield 39,106 oz. fine.	Yield per ton 1.941 dwt.
Working Revenue	£490,090	Per ton Milled
Working Expenditure	497,345	s. d.

WORKING LOSS £7,255

Adjusting for Sundry Revenue £2,300, the NET LOSS was £4,955.

Taxation and Lease Consideration £1,400.

The following announcement was published in the Press on 5th February, 1960:

The Directors of Modderfontein East, Limited, announce that owing to the persistent decline in the available tonnage of ore reserve, it has become increasingly difficult to maintain mining operations at a profit. Owing to the virtual completion of the development programme and to the narrow margins on which the mine has been operating for some time, there is little hope under existing conditions of any improvement in the position. In these circumstances it has been considered necessary to give the statutory three months' notice to the Government, in terms of the Gold Law, of the possible discontinuance of mining operations.

DEVELOPMENT totalled 672 feet.

## — PAYABLE DISCLOSURES —

Reef	Footage Sampled	Feet	%	Channel Value dwt./ton	Channel Width Inches
Main Reef Leader	365	145	39.7	8.4	25

At worst Sharpeville can be but one more landmark in the Union's steadily worsening race relations. At best, it may prove to be the turning point in its racial policies and as such would justify writing the political risk factor down rather than up. Nevertheless, investors who towards the end of last year were talking gaily of a 7 per cent yield basis, and had even been encouraged by Mr. Engelhard to think in terms of 6 per cent, are likely for a while to regard something much nearer 10 per cent as a minimum; and on psychological grounds at least it would be difficult to criticise such a requirement.

## How the Market has Moved since the Start of the Year

Quite aside from its financial strength, the industry has internally remained quite insulated from the urban disturbances. The recruitment of native labour (which remains tribal) is again breaking all records, and gold output is rising steadily, while continued shaft sinking records and the electronic wonders of the new mills being designed for Leslie and Bracken serve as reminders of the industry's continued technical advance. Externally, as we have already pointed out, all that has changed in the past three months has been the market's assessment of the political risk, not the degree of the risk itself.

In this context it is significant that the F.T. Gold Share Index fell 19 points be-

tween January 1 and April 8. Of the fall prior to April 8, 11 points occurred before Sharpeville and 8 afterwards. This suggests that while the South African disturbances have undoubtedly been a major market factor, they have not been so dominant an influence in this year's price slide, as might have been supposed.

The second point to observe about this slide is that, even when we take the heavy Continental selling into account, there has overall been much less selling than the fall in prices would suggest, and indeed in Britain, and still more in the States, shares have remained remarkably firmly held. Just how firmly, it is, admittedly, a little early to say, as following one day's heavy selling immediately after Sharpeville, the jobbers, for a time, virtually closed the market by marking prices sharply down and where that did not suffice, by widening their quotations.

To this extent, the market may not yet be over the worst of its difficulties in that the adverse psychological climate created by recent political events may have decided some investors to get out for good once prices are more nearly back to normal, thereby constituting a continuing political tap on the market of which the effects may last for some time.

(Continued on page 13)

## New Issues Can Wait

Certainly this is no time for the industry to come to the market for new capital, but by good fortune there has seldom been a time when this was less urgent. Prior to this year's slump in Kaffirs, South Africa had reached a point where her financial institutions in general, and more especially those associated with the mining industry, were exceptionally liquid, very largely in consequence of the approach towards full production of the many new gold mines opened up in the immediate post-war period.

Even allowing for the recent sharp fall in the market value of its portfolios, the

## JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED GROUP

### MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 31st MARCH, 1960 WITH COMPARATIVE FIGURES FOR THE PREVIOUS QUARTER.

(All Companies mentioned are incorporated in the Union of South Africa)

GENERAL REMARKS—The development values are the actual results of the sampling of development work on reef; no allowance has been made for modifications which may be necessary when computing ore reserves.

#### FREDDIES CONSOLIDATED MINES, LIMITED

ISSUED CAPITAL	£16,359,913
(Divided into 16,359,913 shares of £1 each, fully paid)	
Operations	
Gold:	
Tons Milled	173,000
Gold Produced—ounces fine	39,410
Yield per ton milled—dwt	4.56
Cost per ton milled	73s. 7d.
Uranium—O.F.S. Joint Production Scheme:	
Tonnage apportioned to this Company	170,649
Production apportioned—lbs.	49,212
Yield per ton on lbs. apportioned	.288
Sales of Uranium Oxide—lbs.	49,212
RESULTS OF OPERATIONS	
Revenue from Gold and Sundry Revenue	£505,386
Less: Working Costs	636,350
LOSS ON GOLD MINING	
Uranium—Revenue from Uranium sold (subject to future adjustment)	£130,964
Less: Share of Joint Treatment Charges apportioned to this Company from the O.F.S. Joint Production Scheme for the quarter	£210,257
LOSS (last quarter Profit)	
Add: Contribution towards capital cost of O.F.S. Joint Production Scheme	£7,362
TOTAL OPERATING LOSS FOR QUARTER	£38,964
Add:	
Interest payable on amounts advanced to the Company by the National Finance Corporation of South Africa and certain Building Societies	£11,926
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	1,179
Capital Expenditure	Nil
EXCESS OF EXPENDITURE OVER INCOME FOR QUARTER	£52,069
DEVELOPMENT	
Total Development—feet	11,868
Sampled:	
Feet	990
Value—gold—dwt	41.8
Value—uranium—lbs.	2.6
Width—inches	6.1
Inch-dwt—gold	255
Inch-lbs—uranium	16
Payable:	
Feet	*460
Percentage	46
Value—gold—dwt	52.8
Value—uranium—lbs.	2.9
Width—inch	6.3
Inch-dwt—gold	333
Inch-lbs—uranium	18
10,677	10,677
13,105	15,269
15,269	21,130

\*Payability is based on the combined Gold and Uranium content.

#### THE RANDFONTEIN ESTATES GOLD MINING COMPANY, WITWATERSRAND, LIMITED

ISSUED CAPITAL	£4,063,553
(Divided into 4,063,553 shares of £1 each, fully paid)	
Operations	
Gold Division	
Tons Milled	67,000
Gold Produced—ounces fine	12,667
Yield per ton milled—dwt	3.781
Cost per ounce	23s. 7d.
Revenue per ton milled	48s. 1d.
Cost per ton milled	45s. 4d.
Profit per ton milled	2s. 9d.
Revenue from Gold and Sundry Revenue	£161,049
Less: Working Costs	151,755
OPERATING PROFIT	£9,294
Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959

#### THE RANDFONTEIN ESTATES GOLD MINING CO., WITWATERSRAND, LIMITED—continued

Uranium Division	
Tons Milled	479,000
Cost per ton milled	79s. 11d.
Uranium Oxide produced—lbs.	469,756
Yield per ton milled—lb	.981
Uranium Oxide sold—lbs.	477,548
Gold produced—ounces fine	24,359
Yield per ton milled—dwt	1,017
Revenue from Uranium Oxide sold, subject to future adjustment	£2,402,283
Less: Net Mine Working Costs (i.e. after deducting Sundry Revenue and Revenue from Gold in Uranium Ore) and Treatment Costs attributable to Uranium Oxide sold	1,915,507
Profit on Uranium Oxide sold	£486,776
Net Revenue from Acid sold	58,461
OPERATING PROFIT	£545,237

RESULTS OF OPERATIONS	
Combined Operating Profit for quarter—Gold and Uranium Divisions	This Quarter
Less:	Last Quarter
Estimated Taxation	£157,000 £146,000
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	14,819 14,284
Provision for Interest on and repayment of Uranium Loans	215,086 215,086
Capital Expenditure	Nil Nil

BALANCE FOR PROFIT FOR QUARTER	£167,626
URANIUM LOANS	£3,567,976

Balance of Loans outstanding at end of Quarter	£3,746,150
--	------------

DEVELOPMENT	
Total Development—feet	35,393
Gold Division	
Development—feet	875
Sampled—feet	360
Payable—feet	260
Percentage payable	72
Value—dwt	7.6
Width—inch	45
Inch-dwt	342
Uranium Division—Bird Reef Series	
Development—feet	34,518
Sampled:	
Fee	4,145
Value—uranium—lbs.	1.8
Value—gold—dwt	2.0
Width—inch	26
Inch-lbs—uranium	47
Inch-dwt—gold	52
Payable:	
Fee	4,145
Percentage	33
Value—uranium—lbs.	3.2
Value—gold—dwt	4.6
Width—inch	23
Inch-lbs—uranium	74
Inch-dwt—gold	106

\*In the case of the Uranium Division payability is based on the combined Gold and Uranium content.

#### WESTERN AREAS GOLD MINING COMPANY LIMITED

AUTHORISED AND ISSUED CAPITAL	£8,270,000.00
PAID UP CAPITAL	£4,890,847.5.0
(Divided into 7,528,926 units of stock of 10s. each, fully paid and 9,011,074 shares of 10s. each, 2s. 6d. per share paid).	

SHAFT SINKING AND EQUIPPING					
Shaft	Shaft Sinking				
Advance for Quarter	Concrete Lining				
Shaft	Advance for Quarter	Depth at 31/3/60	Advance for Quarter	Depth at 31/3/60	Estimated depth of Shaft on completion
Shaft	Fee	Feet	Fee	Feet	Feet
Main Shaft	286	356	260	315	4,850
Ventilation Shaft	1,399	1,597	1,350	1,545	3,500
Total	1,685		1,610		

## WESTERN AREAS GOLD MINING CO., LTD.—cont.

## Main Shaft

Shaft sinking commenced on 13th March, 1960. Prior to this, the shaft had been sunk to a depth of 100 feet by the contractor responsible for the installation of the shaft collar.

## Ventilation Shaft

Shaft sinking commenced on 20th January, 1960. Prior to this, the shaft had been sunk to a depth of 198 feet by the contractor responsible for the installation of the shaft collars. At an elevation of 960 feet below collar, a temporary pump station and cable pocket was cut.

## Pre-Cementation

The drilling of four diamond drill holes for the pre-cementation of the ground through which the shafts will pass was completed and a total of 64,542 pockets of cement was injected.

## Head Gears

The permanent headgears for both shafts have been erected and equipped.

## Hoists

The hoists necessary for the sinking of both shafts have been erected and are in operation.

## European Housing

A further eighteen houses for the use of European employees are being erected in Westonaria Township. Temporary Single Quarters and a Mess are in operation on the Mine property.

## Non-European Accommodation

Sufficient accommodation is available for current requirements.

## Mines Services

All services are operating satisfactorily.

## General Buildings and Mine Store

The Mine Store, Change House and Office buildings are in use.

## EXPENDITURE

Capital Expenditure during the quarter amounted to £657,000 bringing the total capital expenditure to 31st March, 1960, to £3,328,000, which sum includes expenditure incurred in establishing the mine as well as the cost of the Mining Lease, Freehold Property, Mineral Rights, Prospecting expenditure, preliminary and share issue expenses.

## GOVERNMENT GOLD MINING AREAS (Modderfontein) CONSOLIDATED LIMITED

ISSUED CAPITAL £70,000  
(Divided into 5,600,000 shares of 3d. each, fully paid)

	Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
<b>OPERATIONS</b>		
Tons Milled	159,000	155,000
Gold recovered from current milling—ounces fine	26,726	27,948
Recovery per ton—dwt.	3.362	3.606
Gold recovered from old residues—ounces fine	5,560	4,236
<b>RESULTS OF OPERATIONS</b>		
Revenue from Gold, Silver and Osmiridium, including revenue from sales of gold derived from the treatment of old residues	£403,483	£401,750
Rents and Sundry Revenue	8,128	7,556
Revenue from Sales of Salvaged Plant and Equipment	7,379	6,260
Less: Working Costs	£418,990	£415,566
Net Revenue from Gold Mining, Treatment of old residues and Salvage Operations and Sundry Revenue	£3,774	£3,103
Net Revenue from Pyrite	79,526	79,092
<b>TOTAL PROFIT FOR QUARTER</b>		
Less:	£83,300	£82,195
Estimated Government Share of Profits and Taxation	£13,800	£13,500
Provision for Interest on and repayment of Pyrite Loans	10,350	10,350
Capital Expenditure	Nil	Nil
	24,150	23,850
<b>BALANCE OF PROFIT FOR QUARTER</b>		
	£59,150	£58,345
<b>PYRITE LOANS</b>		
Balance of Loans outstanding at end of quarter	£169,943	£178,533
<b>DEVELOPMENT</b>		
Total Development—feet	Nil	Nil

## GROUP COLLERIES

The tonnages sold and the working profits earned by the collieries of the Group were as follows:

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
Tons sold	73,773	61,732
Working profit	£11,917	£6,499
Tons sold	302,120	298,395
Working profit	£4,037	£58,980
Tons sold	113,343	116,651
Working profit	£8,258	£27,409
	489,236	476,778
	£84,212	£92,888

## THE EAST CHAMP D'OR GOLD MINING COMPANY LIMITED

ISSUED CAPITAL £259,875  
(Divided into 2,079,000 shares of 2s. 6d. each, fully paid)

	Quarter ended 31st Mar., 1960	Quarter ended 31st Dec., 1959
<b>OPERATIONS</b>		
Tons milled	36,000	36,000
Cost per ton milled	52s. Sd.	52s. 10d.
Uranium Oxide produced—lbs.	28,596	27,556
Uranium Oxide sold—lbs.	28,596	27,556
Yield per ton milled—lb.	.794	.765
Gold produced—ounces fine	872	973
Yield per ton milled—dwt.	.484	.541
<b>RESULTS OF OPERATIONS</b>		
Uranium Division		
Revenue from Uranium Oxide sold, subject to future adjustment	£143,055	£138,643
Less: Net Mine Working Costs (i.e. after deducting Sundry Revenue and Revenue from Gold in Uranium Ore), Treatment Costs and Rental Charges	118,017	113,392
	£25,038	£25,251
<b>Gold Division</b>		
Profit from the milling of 4,500 (last quarter 4,500) tons arising from reclamation operations on the Main Reef series	701	1,382
<b>TOTAL OPERATING PROFIT FOR QUARTER</b>		
This Quarter	£25,739	£26,633
Last Quarter		
Less:		
Estimated Taxation	£8,400	£9,000
Contribution towards cost of Atomic Energy Board's Uranium Research Programme	891	905
Provision for interest on and repayment of Uranium Loans	3,905	3,905
Capital Expenditure	Nil	Nil
	13,196	13,810
<b>BALANCE OF PROFIT FOR QUARTER</b>		
	£12,543	£12,823
<b>URANIUM LOANS</b>		
Balance of Loans outstanding at end of Quarter	£67,368	£70,578
<b>DEVELOPMENT</b>		
Development—feet	2,538	2,225
Sampled:		
Feet	1,835	1,605
Value—uranium—lbs.	1.4	1.4
Value—gold—dwt.	1.2	1.2
Width—inches	19	17
Inch-lbs.—uranium	27	24
Inch-dwt.—gold	23	20
Payable:		
Feet	*420	*400
Percentage	23	25
Value—uranium—lbs.	3.3	2.6
Value—gold—dwt.	3.1	1.8
Width—inches	13	16
Inch-lbs.	43	42
Inch-dwt.—gold	40	29

\*Payability is based on the combined Gold and Uranium content.

## MAP OF THE KLERKS DORP FIELD

★While a mine is at the development stage, it is of vital importance to have a visual picture of its position in relation to the field as a whole. Otherwise the quarterly results published by the companies lose much of their significance.

★Results reported from adjacent mines often have a direct bearing on the one in which you are interested, which, however, can only become apparent if you have clearly in mind the position of all the properties in relation to one another.

★The Technical Map Service, located in Johannesburg, performs this service most effectively, for the Klerksdorp field. This map and its accompanying statistical handbook show:—

—the exact position of each mine on the field—where in each property boreholes have been or are being sunk, how far they have gone and what the core recovery has been on reef intersection—what shafts are being sunk, how far they have gone and what the final depth is expected to be.

Obtainable in London from The Mining Journal Price 25s. paper; 35s. linen (plus 1s. postage)

Estimated depth of Shaft on completion Feet  
0.0  
7.5.0  
paid.  
d.)  
  
4,850  
3,500

# GENERAL MINING & FINANCE CORPORATION, LIMITED

(Incorporated in the Union of South Africa)

**GOLD MINING COMPANIES' DIRECTORS' REPORTS FOR THE QUARTER ENDED 31st DECEMBER, 1959**

All companies mentioned are incorporated in the Union of South Africa

BUFFELSPONTEIN GOLD MINING COMPANY LIMITED				ELLATON GOLD MINING COMPANY LIMITED				SOUTH ROODEPOORT MAIN REEF AREAS LIMITED				STILFONTEIN GOLD MINING COMPANY LIMITED				WEST RAND CONSOLIDATED MINES LIMITED			
Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960	Sept. 1959	Dec. 1959	March 1960		
<b>PRODUCTION</b>																			
<b>Gold:</b>	Tons milled .....	432,000	435,000	418,000	94,000	89,000	83,000	90,000	90,000	89,000	454,000	480,000	454,000	431,000	403,000	373,000			
"	Ounces fine recovered .....	164,030	167,931	164,534	21,614	20,705	19,738	21,455	21,419	21,237	210,111	216,118	204,330	62,147	56,644	52,769			
"	Yield per ton—dwt .....	7,594	7,721	7,672	4,599	4,653	4,756	4,768	4,760	4,772	9,035	9,006	2,884	2,809	2,809	2,829			
"	Revenue per ton milled .....	95/—	96/8	98/8	57/6	58/2	59/6	60/1	60/2	60/3	116/—	112/8	112/10	37/8	36/8	37/7			
"	Cost per ton milled .....	55/5	55/8	58/8	39/6	40/-	42/1	44/10	44/11	45/12	63/1	62/7	66/8	35/2	34/9	36/11			
"	Profit per ton milled .....	39/7	41/-	40/-	18/-	18/2	17/5	15/3	15/3	15/1	52/11	50/1	46/2	2/6	1/1	1d			
<b>Uranium:</b>	Tons milled .....	—	—	—	—	—	—	—	—	—	—	—	—	29,000	226,000	227,000			
"	Tons treated .....	425,000	379,000	350,000	101,287	99,783	97,697	280,400	308,500	319,700	229,000	226,000	226,000	226,000	226,000	227,000			
"	Uranium oxide produced—lb. .....	197,472	190,979	188,736	31,267	29,285	31,433	85,064	94,648	92,049	311,906	311,700	311,229	—	—	—			
"	Yield per ton treated—lb. .....	0,4646	0,5015	0,5719	0,3087	0,2935	0,3217	0,3034	0,3068	0,2879	1,362	1,379	1,371	—	—	—			
"	Uranium oxide sold—lb. .....	191,750	191,765	191,750	30,800	30,800	30,800	85,940	90,949	92,940	311,906	311,531	311,702	—	—	—			
<b>URANIUM SECTION (WEST RAND CONS)</b>																			
Gold—ounces fine recovered .....	—	—	—	—	—	—	—	—	—	—	—	—	—	5,470	5,820	5,534			
Yield per ton—dwt .....	—	—	—	—	—	—	—	—	—	—	—	—	—	0,478	0,515	0,488			
Cost per ton .....	—	—	—	—	—	—	—	—	—	—	—	—	—	52/2	54/2	51/7			
<b>FINANCIAL</b>																			
<b>Gold:</b>	Working revenue .....	2,051,834	2,102,907	2,062,573	270,298	258,972	247,038	270,262	270,741	268,076	2,633,802	2,704,676	2,562,602	811,314	738,040	690,325			
"	Working costs .....	1,196,698	1,211,343	1,225,519	185,683	178,621	174,656	201,650	202,118	200,996	1,432,402	1,502,008	1,514,204	698,988	699,245	688,157			
"	Working profit .....	855,136	890,664	837,054	84,615	80,951	72,382	68,612	68,623	67,080	1,201,668	1,202,668	1,048,398	54,326	38,795	2,168			
"	Uranium Working revenue .....	747,888	758,999	767,821	138,447	131,900	136,919	136,919	136,919	136,919	361,569	382,789	402,260	1,121,433*	1,231,857	1,215,854*			
"	Working and treatment costs .....	171,888	185,999	197,821	86,447	80,260	84,919	80,260	80,260	80,260	158,569	159,789	176,260	597,272	612,037	585,206			
"	Working profit .....	576,000	573,000	570,000	52,000	51,000	52,000	51,000	51,000	51,000	203,000	223,000	226,000	614,161	619,830	630,648			
"	Working profit .....	60,000	62,000	60,000	—	—	—	—	—	—	48,000	49,000	47,000	—	—	—			
"	Additional revenue .....	1,491,136	1,525,664	1,468,054	136,615	131,951	124,302	70,362	70,873	69,305	1,453,400	1,474,668	1,321,398	14,229	48,261	27,223			
<b>TOTAL PROFIT</b>																			
Uranium and other Loan repayments (including interest) .....	661,434	726,377	131,284	198,836	145,049	116,915	—	—	—	—	165,631	181,506	165,631	74,472	74,472	74,472			
Capital Expenditure:	Gold .....	456,567	457,670	637,171	Cr. 600	Cr. 850	Cr. 75	83	7,211	591	716,689	795,146	425,689	17,970	71,126	22,125			
"	Uranium, Pyrite and Acid .....	11,722	10,868	17,908	1,200	1,200	1,200	—	—	—	—	—	—	—	5,997	9,478	9,478		
"	Construction, Commissioning, equipment, Cranes etc .....	—	—	—	—	—	—	—	—	—	—	—	—	—	88,724	88,724	88,724		

Uranium and other Loan repayments (including interest) .....	661,434	726,377	131,284	198,836	145,049	116,915	—	—	165,631	181,506	165,631	74,472	74,472	74,472
CAPITAL EXPENDITURE:														
Gold .....	456,567	457,670	637,171	17,905	Cr. 690	Cr. 75	83	7,211	591	716,689	795,146	425,689	17,970	7,126
Uranium, Pyrite and Acid .....	11,722	10,868	—	—	NBL	NBL	1,2,1,53	—	—	1,420	Cr. 2	—	5,597	9,478
Amalgamation, etc. .....	—	—	—	—	1,2,1,53	1,2,1,53	—	—	—	63,263	—	58,724	—	—
URANIUM SECTION (WEST RAND CONS.)														
DEVELOPMENT														
Total footage advanced .....	31,395	31,527	30,697	Vaal Reef	Vaal Reef	Vaal Reef	667	7,160	6,474	6,598	Vaal Reef	Vaal Reef	16,929	11,426
Footage sampled .....	4,515	4,155	6,610	6,835	315	665	50	2,070	2,660	3,035	29,871	30,688	28,443	7,007
Percentage payable .....	3,605	5,835	180	290	20	695	1,150	1,600	6,570	7,225	6,145	4,530	4,015	3,795
GOLD:	910	86,8	88,3	57,1	43,6	40	33,6	44,2	52,7	79,9	86,9	73,7	57,3	72,4
Average value—dwt. .....	33,0	38,9	21,6	22,7	16,5	25	26	28	9,0	7,8	7,3	34,1	41,5	37,1
" Average value—dwt. .....	18,0	19,4	14,6	26,5	13,9	36,1	9,7	9,5	35,7	47,4	52,2	7,7	7,1	7,8
Inch-dwt. .....	598	680	567	574	315	595	243	247	260	321	370	381	263	294
URANIUM: Pounds per ton .....	1,420	1,258	1,062	1,250	0,935	1,922	—	—	1,653	1,764	1,723	—	—	—
" Inch-pounds .....	47,27	44,04	41,34	26,99	26,99	21,70	31,72	14,88	13,76	12,58	—	—	—	—
URANIUM SECTION (WEST RAND CONS.)														
Total footage advanced .....	Footage sampled .....	Footage payable .....	Percentage payable .....	Channel width—inchess .....	Gold value—inch-dwt. .....	URANIUM: Pounds per ton .....	" Value—inch-pounds .....	DEVELOPMENT ALLOWANCE HAVING BEEN MADE FOR ANY REDUCTIONS WHICH MAY BE CONSIDERED NECESSARY WHEN COMPILED THE ORE RESERVES	VALUES REPRESENT ACTUAL RESULTS OF SAMPLING, NO SUBSEQUENTLY.	As at 30th June, 1959	As at 30th June, 1959	As at 30th June, 1959	As at 31st December, 1959	As at 31st December, 1959
ORE RESERVES														
GOLD: Tons .....	3,034,000	310,000	—	61,1	42,0	47	40,2	475,000	475,000	475,000	475,000	475,000	49	49
" Stopping width—inchess .....	9,84	8,62	4,8	601	362	226	9,45	—	—	—	—	—	3,4	3,4
" Value—dwt. .....	601	362	362	0,685	0,600	—	380	—	—	—	—	166	166	166
URANIUM: Pounds per ton .....	41,84	25,49	25,49	—	—	—	0,333	—	—	—	—	—	—	—
URANIUM SECTION (WEST RAND CONS.)														
Tons .....	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Stopping width—inchess .....	—	—	—	—	—	—	—	—	—	—	—	—	—	—
URANIUM: Pounds per ton .....	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Gold: Dwt. per ton .....	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Inch-dwt. .....	—	—	—	—	—	—	—	—	—	—	—	—	—	—

NOTE:  
DEVELOPMENT ALLOWANCE HAVING BEEN MADE FOR ANY REDUCTIONS WHICH MAY BE CONSIDERED NECESSARY WHEN COMPILED THE ORE RESERVES

As at 30th June, 1959	As at 30th June, 1959	As at 30th June, 1959	As at 31st December, 1959
3,034,000	310,000	1,097,000	5,265,000
61,1	42,0	47	47
9,84	8,62	4,8	9,45
601	362	226	380
0,685	0,600	—	0,333
41,84	25,49	25,49	12,97
URANIUM SECTION (WEST RAND CONS.)			
Tons .....	—	—	—
Stopping width—inchess .....	—	—	—
URANIUM: Pounds per ton .....	—	—	—
Gold: Dwt. per ton .....	—	—	—
" Inch-dwt. .....	—	—	—

Notes : (1) Copies of the full quarterly Reports may be obtained on application to the London Secretaries at address given below.  
 (2) Operations on all mines of the Group were seriously affected for a period of five consecutive days during March as a result of the power supply by the Electricity Supply Commission being inadequate for the full requirements of the mines. In consequence there were losses of output of ounces fine gold and profits were affected. The figures relative to the individual companies were as follows : — Buttefontein 5,598 ounces and £75,999 ; Elliston 504 ounces and £6,940 ; South Roodepoort 282 ounces and £2,606 ; Stilfontein 6,600 ounces and £88,307 ; West Rand Consolidated 2,592 ounces and £22,355.

For and on behalf of General Mining & Finance Corporation Limited, B. M. IVISON, London Secretary  
 London Office : Winchester House, Old Broad Street, E.C.2.

12th April, 1960

In the short term, a further factor delaying recovery may be that those who bought options after Sharpeville will seek to take their profit over the next few months. However, the broker only covers himself to the extent of 50 per cent of an option deal at the time it is made, leaving himself to the other 50 per cent to buy when the option matures. Profit takers on exercised options would therefore have to exceed 50 per cent before maturing options came to have a net depressing effect on the market.

In this connection it must be remembered that, despite the high premiums on option dealings, this business reached record proportions during the worst of the slump, which suggests that there was at the time a widespread view among speculators that the fall in Kaffirs was grossly overdone and reflected psychological reaction rather than realistic appraisal.

There have, moreover, at times during the past fortnight, been suggestions that the market had been over-sold and that the consequential bear covering, coupled with some serious buying generated by present attractive prices, might make it at any rate possible that the market will now go better. However, as we go to press there is little sign of this.

#### Steady South African Buying

Probably the ultimate beneficiaries of the present slump will prove to have been the South African institutional investors, who in recent weeks has been picking up their favourite shares at bargain prices. In fact, the capacity of the Johannesburg market to absorb stock from other centres, which has been a notable characteristic of the past two years, has been more especially in evidence since January. Estimates vary widely, but it seems fairly certain that during 1958 and 1959 alone net selling through London must have averaged not less than £2,000,000 per month. At this rate of progress it cannot be so very long before the majority holding in many of the newer mines and finance houses shifts from foreign into South African hands.

The remarkable capacity of Johannesburg to go on absorbing other people's stock has been due to the high degree of liquidity in the South African economy which, aside from the rising tide of dividends from the mines themselves, owes much, as in Britain, to the rapid growth of insurance funds seeking an outlet. In this context, it is significant that some of the big Afrikaner insurance and investment companies have been steady buyers of Kaffirs for some time now.

#### Decline in Arbitrage Dealing

A development for which the recent market slump is only partially responsible has been the steep falling off in arbitrage dealing, which under normal circumstances would have prevented the widening gap between Johannesburg and London quotations. This is now in some cases as high as 9 per cent (e.g. President Steyn), while total costs of arbitrage dealing do not exceed 3½ per cent exclusive of stamp duty which is payable if, as is often the case at present, Cape scrip cannot be obtained.

What appears to be discouraging these operations at the moment is the increasing delay in the delivery to Johannesburg of scrip bought from London. Even under normal conditions it is not too unusual for an arbitrage dealer to be carrying £500,000 or more of stock at any one time, the financing of which is always an important consideration and becomes doubly so when

(Continued on page 15)



## MARIEVALE CONSOLIDATED MINES, LTD.

ISSUED CAPITAL £2,250,000 IN SHARES OF 10s. EACH

Tons Milled ..	297,000	Gold Produced (in oz. fine)	72,685
Yield per Ton Milled (dwt.) ..	4.90		
		Per ton Milled	Per ton Milled
Working Revenue ..	..	£909,930	..
Working Costs ..	..	535,796	..
<b>WORKING PROFIT ..</b>	..	<b>374,134</b>	..
Sundry Revenue less Sundry Expenditure ..	..	2,730	
<b>TOTAL PROFIT (subject to Taxation and Government's share) ..</b>	..	<b>£376,864</b>	
Estimated Taxation and Government's share of profit		£192,700	
Capital Expenditure ..	..	Nil	
			<b>PAYABLE DEVELOPMENT</b>
<b>DEVELOPMENT</b>			
	Footage driven	Footage sampled	Footage payable
Main Reef	1,869	1,890	725
	38	38	13.3
			Width
			dwt.
			ins.
			18.
			In./dwt.
			240

Discounts have been applied to development values to conform with adjustments which are necessary in estimating the ore reserves at the year end.

delayed delivery automatically increases the stock he is carrying. This is a matter of particular concern to Johannesburg dealers as normally South African banks will only provide accommodation for up to 50 per cent of the stock carried whereas London banks will finance up to 90 per cent.

A further influence inhibiting London arbitrage dealings during the South African uncertainties of recent weeks has been a reluctance to build up large selling commitments in Johannesburg on which, because of the growing delay in scrip delivery, settlement cannot be expected for several weeks.

Unimpeded arbitrage operations are an integral part of the smooth functioning of any international market and is not surprising that the councils of both the Johannesburg and London Stock Exchanges have lately been showing concern over this matter.

### Which Shares Have Stood Up Best?

In the context of the bargain-hunting which has been going on in Johannesburg, it is of interest to consider those shares which have either fallen less in value than the rest or which recovered more sharply after the initial fall. In the first place, the majority of shares in the break-up and near break-up categories have fallen less than average, presumably on the assumption that the higher urban labour costs (which

Neoprene-lined clarifying tanks are used at President Steyn and Welkom to process uranium for mines in the Welkom area.

## VAN DYK CONSOLIDATED MINES, LTD.

**ISSUED CAPITAL £69,150 IN SHARES OF 3d. EACH**

promise to be an inevitable consequence of the disturbances) will add to the cost of mine purchases, quite apart from possibly leading to higher mine wages, and will thus tend to hasten the closure of such mines and consequently advance the dates of liquidation re-payments. It should, however, be remembered that the value of the free-hold owned by some of these mines is greatly dependent on future Government policy.

Incidentally, the marginal mines in general would have difficulty in surviving any appreciable increase in African wage rates, unless accompanied by some form of subsidy. These mines, which are mainly in the category of the older low graders, tend to have a larger native complement, and therefore a higher native wages bill, than do the newer mines. Broadly native wages represent anything from 15 per cent of working costs on a new mine at full production such as West Driefontein, to 25 per cent on an old low-grader such as Simmer and Jack.

Break-ups apart, Bracken and Leslie fell less than average, while notable among the shares which have recovered more sharply than the rest since the fall are Winkelhaak, Vaal Reefs, Venterpost, Loraine, and Saint Helena. Here is one possible indicator to the shares which local opinion in Johannesburg regard as the most desirable portfolio acquisitions.

## Quarterly Results

The January to March quarterly results themselves have proved to be singularly

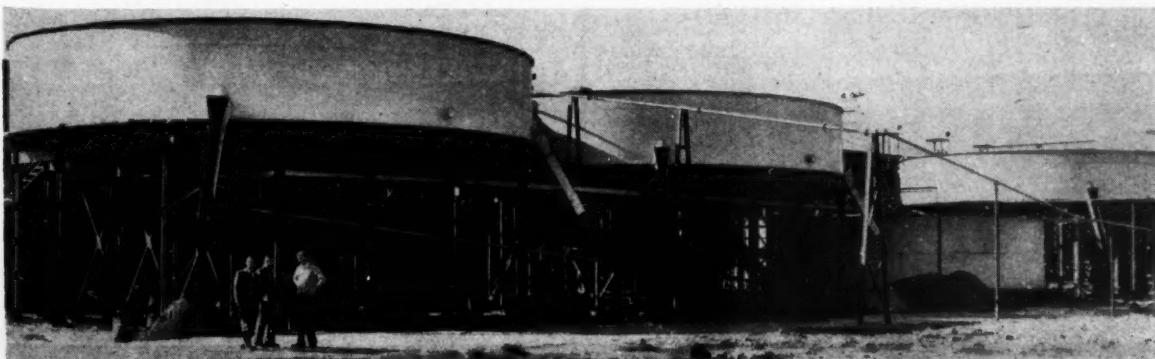
devoid of special interest. The March results for all but two of the mines on the West Rand and in the O.F.S. were affected by the five-day restriction on power consumption consequent on the post-disaster closure at the Coalbrook pit. (Randfontein has its own power station, and was also able to help Freddie's on an emergency basis.) The imposition of the restriction led to a cut back to between 75 and 80 per cent of normal usage. The March profits of all the mines concerned appear to have been affected proportionately to much the same extent, working out at about 5 per cent of gold output and 10 per cent of profits. Collectively these mines suffered profit losses totalling £990,000 and gold production losses of 82,874 oz., valued at £1,036,000.

To European investors living in countries now accustomed to carrying tens of millions of tons of coal stocks above ground, it must have come as something of a surprise to discover how small the stock margin at South African power stations appears to be. Stockpiling of coal is admittedly an expensive business requiring special safety precautions, but even so the fractional increase in power costs needed to meet this would surely have been cheaper than the cost of so disrupting gold production.

### Labour Force

The March production losses resulting from Coalbrook have tended to obscure the steadily improving native labour

*(Continued on page 19)*



# ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED

## GOLD MINING COMPANIES' DIRECTORS' ABRIDGED REPORTS FOR THE QUARTER ENDED 31st MARCH, 1960

(All Companies mentioned are incorporated in the Union of South Africa)

### NOTES

*The development values in all these Companies' Reports represent actual results of sampling, no allowance having been made for adjustments which are necessary in estimating ore reserves.*

Copies of the complete quarterly reports of any company may be had on application to the London Secretaries, 40 Holborn Viaduct, E.C.1.

### BRAKPAN MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	422,000	425,000
Ounces fine	51,122	51,705
Yield per ton—dwt.	2.42	2.43
Cost per ton milled	28s. 9d.	28s. 7d.
Profit per ton milled	1s. 7d.	1s. 10d.
Working profit	£33,982	£38,465
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	£3,151	£1,000
Capital recoupments	—	£1,133
<b>DEVELOPMENT</b>		
Footage driven	6,423	6,543
Feet sampled	4,355	4,650
Feet payable	955	1,160
Percentage payability	21.9	24.9
Average value—dwt. per ton	15.32	16.15
Width—inches	43.46	39.95
Equivalent inch-dwt.	666	645

**INVESTMENTS**  
In February, 1960, the Company subscribed for its full entitlement of £252,000 of six per cent registered unsecured notes in The South African Land & Exploration Company Limited, arising from its holding of 315,000 shares in that company at 31st December, 1959.

### EAST DAGGAFONTEIN MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	311,000	307,500
Ounces fine	52,582	52,181
Yield per ton—dwt.	3.38	3.39
Cost per ton milled	34s. 9d.	34s. 11d.
Profit per ton milled	7s. 7d.	7s. 6d.
Working Profit	£118,341	£115,890
<b>FINANCIAL</b>		
Taxation—estimated	£49,171	£42,000
Capital Recoupments	—	£3,447
<b>DEVELOPMENT</b>		
Main Reef Leader		
Footage driven	1,472	1,471
Feet sampled	1,480	1,450
Feet payable	550	445
Percentage payability	37.2	30.7
Average value—dwt. per ton	16.69	15.41
Width—inch	19.85	19.85
Equivalent inch-dwt.	331	306
Kimberley Reef		
Footage driven	4,764	4,541
Feet sampled	3,210	2,880
Feet payable	640	580
Percentage payability	19.9	20.1
Average value—dwt. per ton	70.74	64.49
Width—inch	4.41	5.42
Equivalent inch-dwt.	312	350

### SPRINGS MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	311,000	311,000
Ounces fine	43,173	42,802
Yield per ton—dwt.	2.78	2.75
Cost per ton milled	31s. 10d.	31s. 8d.
Profit per ton milled	2s. 11d.	2s. 9d.
Working Profit	£15,481	£24,484
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	£11,477	Cr. £9,000
Capital recoupments	£1,926	£16,115
<b>DEVELOPMENT</b>		
Footage driven	4,792	3,737
Feet sampled	4,450	2,830
Feet payable	1,215	790
Percentage payability	27.3	27.9
Average value—dwt. per ton	19.83	15.90
Width—inch	20.09	19.62
Equivalent inch-dwt.	328	312

### FREE STATE GEDULD MINES, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	279,000	280,500
Ounces fine	240,643	238,576
Yield per ton—dwt.	17.25	17.01
Cost per ton milled	77s. 5d.	77s. 1d.
Profit per ton milled	138s. 8d.	135s. 9d.
Working profit	£1,934,712	£1,904,249
The estimated working profit for the six months ended 31st March, 1960, was £3,838,961.		
No taxation and no share of profit are as yet payable to the State.		
Capital Expenditure		
Footage driven	£390,305	£277,676
Feet sampled	2,632	2,307
Feet payable	2,505	2,355
Percentage payability	2,300	2,235
Average value—dwt. per ton	91.8	94.9
Width—inch	189.05	195.93
Equivalent inch-dwt.	6.85	5.89
The results obtained in the areas of the individual shafts were:		
No. 1 Shaft Area		
Feet sampled	1,255	1,090
Feet payable	1,095	990
Percentage payability	87.3	90.8
Average value—dwt. per ton	111.01	118.67
Width—inch	8.08	7.07
Equivalent inch-dwt.	897	839
No. 2 Shaft Area		
Feet sampled	1,250	1,265
Feet payable	1,205	1,245
Percentage payability	96.4	98.4
Average value—dwt. per ton	289.69	283.84
Width—inch	5.72	4.95
Equivalent inch-dwt.	1,657	1,405
SHAFT SINKING		
No. 1A Ventilation Shaft		
Footage sunk in the quarter was 1,646 feet, the depth to date being 3,101 feet.		
GENERAL		
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.		

### THE SOUTH AFRICAN LAND AND EXPLORATION COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
Gold		
Tons milled	283,500	281,500
Ounces fine	59,029	58,693
Yield per ton—dwt.	4.16	4.17
Cost per ton milled	43s. 3d.	41s. 4d.
Profit per ton milled	8s. 10d.	10s. 9d.
Working profit	£125,233	£151,821
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	—	Cr. £11,000
Capital expenditure	£148,882	£502,988
<b>DEVELOPMENT</b>		
Mining Lease Area		
Footage driven	11,913	7,278
Feet sampled	4,375	3,335
Feet payable	1,595	1,110
Percentage payability	36.5	33.3
Average value—dwt. per ton	13.21	13.55
Width—inch	30.79	26.66
Equivalent inch-dwt.	407	361
Outside Mining Lease Area (Withok No. 131 L.R.)		
Footage driven	4,350	5,012
Feet sampled	3,085	3,575
Feet payable	940	1,555
Percentage payability	30.5	43.5
Average value—dwt. per ton	17.37	18.77
Width—inch	23.93	23.03
Equivalent inch-dwt.	416	432
No. 3A SHAFT		
Preparatory work on the new 3A Shaft, including the sinking of 153 feet by outside contractors, was completed by the end of February, 1960. Shaft sinking crews took over on 2nd March, and during the remainder of the quarter the shaft was sunk 354 feet to a depth of 507 feet.		

## PRESIDENT BRAND GOLD MINING COMPANY, LIMITED

OPERATING RESULTS		Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
Gold			
Tons milled	340,000	347,000	
Ounces fine	277,007	285,793	
Yield per ton—dwt.	16.29	16.47	
Cost per ton milled	62s. 1d.	60s. 5d.	
Profit per ton milled	142s. 1d.	145s. 9d.	
Uranium (Joint production scheme)			
Lb. apportioned	60,397	59,694	
Yield per ton on lb. apportioned	0.251	0.246	
WORKING RESULTS			
Gold—Working profit	£2,416,033	£2,529,027	
Uranium (estimated)			
Treatment costs	£125,995	£128,997	
Working profit	£141,660	£136,900	
Total Working Profit	£2,557,693	£2,665,927	
The estimated working profit for the six months ended 31st March, 1960, was £5,223,620.			
FINANCIAL			
Taxation and State's Share of Profit (estimated)	£1,093,200	£1,224,000	
Capital Expenditure—gold and uranium including contributions towards capital cost of President Steyn and Welkom uranium plants	£660,709	£534,096	
DEVELOPMENT			
Footage driven	18,427	19,800	
Feet sampled	2,145	2,315	
Feet payable	1,955	1,990	
Percentage payability	91.1	86.0	
Average gold value—dwt. per ton	143.92	138.14	
Average uranium oxide value—lb. per ton	2.47	2.44	
Width—_inches	7.10	7.02	
Equivalent inch-dwt.	1,022	970	
Equivalent inch-lb.	17.53	17.13	
SHAFT SINKING			
No. 3 Ventilation Shaft			
Footage sunk in quarter was 440 feet, the depth to date being 4,601 feet.			
No. 3 Main Shaft			
Footage sunk in quarter was 558 feet, the depth to date being 4,804 feet.			
GENERAL			
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.			
REEF INTERSECTION			
During the quarter under review the following information was published regarding the intersection of the basal reef in both the main and ventilation shafts of the No. 3 Shaft system:			
Main Shaft			
The basal reef was intersected at a depth of 4,408 feet below the collar. The reef was faulted and only exposed over approximately 50 per cent of the perimeter of the shaft, the sampling of which gave an average value for gold of 21.49 dwt. and for uranium of 0.43 lb. per ton over a channel width of 14.61 inches, equivalent to 314 inch-dwt. and 6.20 inch-lb. respectively.			
Ventilation Shaft			
The basal reef was intersected at a depth of 4,425 feet below the collar. The reef was completely exposed around the perimeter of the shaft and the average results of the sampling were as follows:			
An average value for gold of 59.23 dwt. and for uranium of 1.26 lb. per ton over a channel width of 6.23 inches, equivalent to 369 inch-dwt. and 7.84 inch-lb. respectively.			

## WESTERN HOLDINGS LIMITED

OPERATING RESULTS		Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
Gold			
Tons milled	439,000	414,000	
Ounces fine	292,665	269,266	
Yield per ton—dwt.	13.33	13.01	
Cost per ton milled	55s. 8d.	57s. 9d.	
Profit per ton milled	111s. 5d.	105s. 0d.	
Working Profit	£2,444,848	£2,174,011	
The estimated working profit for the six months ended 31st March, 1960, was £4,618,859.			
FINANCIAL			
Taxation and State's share of profits—estimated	£1,467,200	£1,124,000	
Capital expenditure	£188,306	£158,862	
Interest charges	£902	—	
DEVELOPMENT			
Footage driven	25,698	28,641	
Feet sampled	3,785	4,545	
Feet payable	3,140	3,925	
Percentage payability	83.0	86.4	
Average value—dwt. per ton	98.58	135.77	
Width—_inches	9.41	7.70	
Equivalent inch-dwt.	928	1,045	
Included in the development details given above are the following results obtained in the No. 3 shaft area.			
Footage driven	10,836	11,465	
Feet sampled	2,150	1,865	
Feet payable	1,775	1,615	
Percentage payability	82.6	86.6	
Average value—inch-dwt.	857	1,010	
GENERAL			
All operations, including development, were adversely affected during March by the temporary curtailment of power supplies.			
BOREHOLE RESULTS—Area South of Vaal River.			
The following results were obtained in borehole P.K. 9 on the farm Pretorius Kraal No. 53 in the district of Viljoenskroon, Orange Free State. The Vaal Reef was intersected at a depth of 6,254 feet, assaying 10 dwt. of gold per ton over a true width of 5 inches, equivalent to 50 inch-dwt. In the first deflection of this borehole the Vaal Reef was intersected at a depth of 6,255 feet assaying 4.4 dwt. of gold per ton over a true width of 5 inches, equivalent to 22 inch-dwt. In the second deflection the Vaal Reef was intersected at a depth of 6,256 feet assaying 3.9 dwt. of gold per ton over a true width of 6 inches, equivalent to 23 inch-dwt. Core recovery was complete in all intersections.			

Two further boreholes P.K. 10 and P.K. 11 on the farm Pretorius Kraal No. 53 are to be sunk. P.K. 10 is being drilled about 1,000 feet south east of borehole P.K. 8. P.K. 11 will be drilled about 2,100 feet south of borehole P.K. 5.

## PRESIDENT STEYN GOLD MINING COMPANY, LIMITED

OPERATING RESULTS		Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
Gold			
Tons milled	297,000	307,000	
Ounces fine	115,830	121,670	
Yield per ton—dwt.	7.80	7.93	
Cost per ton milled	63s. 6d.	61s. 5d.	
Profit per ton milled	34s. 3d.	37s. 8d.	
Uranium (Joint Production Scheme)			
Lb. apportioned	71,689	70,919	
Yield per ton on lb. apportioned	0.251	0.262	
WORKING RESULTS			
Gold—Working profit	£508,334	£577,875	
Uranium (estimated)			
Treatment costs	£145,234	£143,457	
Working profit	£185,820	£179,950	
Total Working Profit	£694,154	£757,825	
The estimated total working profit for the six months ended 31st March, 1960, was £1,451,979.			
FINANCIAL			
No taxation and no share of profit are as yet payable to the State.			
Capital expenditure: gold and uranium including contributions towards capital cost of Welkom Gold Mining Company uranium plant less recoupments	£610,539	£386,275	
Interest charges (excluding interest on uranium loans)	£37,859	£38,197	
Uranium loan instalment (including interest)	£122,887	£122,887	
DEVELOPMENT			
Total footage driven	15,694	16,766	
Basal Reef			
Feet Sampled	3,510	3,720	
Fee Payable (Gold)	3,145	3,320	
Percentage Payability (Gold)	89.6	89.2	
Average gold value—dwt. per ton	25.83	28.56	
Average uranium oxide value—lb. per ton	0.87	1.21	
Width—_inches	17.32	14.54	
Equivalent inch-dwt.	447	415	
Equivalent inch-lb.	15,005	17.58	
Leader Reef			
Feet Sampled	140	380	
Fee Payable (Gold)	15	10	
Percentage Payability (Gold)	10.7	2.6	
Average gold value—dwt. per ton	4.18	4.44	
Average uranium oxide value—lb. per ton	0.54	0.57	
Width—_inches	59.67	52.30	
Equivalent inch-dwt.	249	233	
Equivalent inch-lb.	32.04	29.98	
SHAFT SINKING			
No. 3 Main Shaft			
Footage sunk in quarter was 1,760 feet, the depth to date being 3,554 feet.			
No. 3 Ventilation Shaft			
Footage sunk in quarter was 2,213 feet, the depth to date being 2,530 feet.			
GENERAL			
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.			

## WELKOM GOLD MINING COMPANY, LIMITED

OPERATING RESULTS		Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
Gold			
Tons milled	286,000	291,000	
Ounces fine	89,849	92,130	
Yield per ton—dwt.	6.28	6.33	
Cost per ton milled	65s. 4d.	63s. 6d.	
Profit per ton milled	13s. 1d.	15s. 9d.	
Uranium (Joint Production Scheme)			
Lb. apportioned	66,925	66,148	
Yield per ton on lb. apportioned	0.278	0.278	
Gold—Working profit	£192,170	£229,462	
Uranium (estimated)			
Treatment costs	£125,142	£126,287	
Working profit	£176,850	£171,120	
Total Working Profit	£369,020	£400,582	
The estimated working profit for the six months ended 31st March, 1960, was £769,602.			
FINANCIAL			
Capital Expenditure—gold and uranium, including contribution towards capital cost of President Steyn uranium plant, less recoupments	£64,249	£54,227	
Taxation—No taxation and no share of profits are as yet payable to the State.			
Interest charges (excluding interest on Uranium Loans)	£44,888	£45,182	
Loan repayments—5 per cent debentures	£52,125	£55,500	
Uranium loan repayments (including interest)	£127,645	£127,645	
DEVELOPMENT			
Footage driven	18,952	22,803	
Feet sampled	3,600	3,640	
Fee payable (gold)	3,040	3,020	
Percentage payability (gold)	84.4	83.0	
Average gold value—dwt. per ton	73.55	87.09	
Average uranium oxide value—lb. per ton	3.06	3.56	
Width—_inches	5.90	5.39	
Equivalent—inch-dwt.	434	469	
Equivalent—inch-lb.	18.06	19.18	
SHAFT SINKING			
No. 2 Shaft			
Footage sunk in quarter was 74 feet, the depth to date being 4,477 feet.			
GENERAL			
All operations, including shaft sinking and development, were adversely affected during March by the temporary curtailment of power supplies.			

## WESTERN REEFS EXPLORATION AND DEVELOPMENT COMPANY, LIMITED

### OPERATING RESULTS

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>Gold</b>		
Tons milled	400,500	413,500
Ounces fine	112,472	111,981
Yield per ton—dwt.	5.62	5.42
Cost per ton milled	52s. 3d.	50s. 2d.
Profit per ton milled	18s. 2d.	17s. 7d.
<b>Uranium</b>		
Uranium oxide produced—lb.	161,288	165,942
Yield per ton treated—lb.	0.334	0.374
<b>WORKING RESULTS</b>		
Gold—Working Profit	£364,505	£364,045
Uranium (estimated)		
Treatment costs	£284,171	£286,117
Working profit	£440,988	£438,994
Sulphuric acid		
Working profit	£47,170	£49,476
<b>Total Working Profit</b>	£852,663	£852,515
<b>FINANCIAL</b>		
Taxation and State's share of profits—estimated	£398,994	£412,000
Uranium loan repayments (including interest)	£169,182	£169,182
Capital expenditure	£114,092	£54,186
<b>DEVELOPMENT</b>		
Mining Lease Area (including Goedgenoeg area over which the Minister of Mines has agreed to grant a lease).		
(a) Ventersdorp Contact and Elsburg Reefs :		
Footage driven	3,231	3,674
Feet sampled	2,315	2,465
Feet payable	895	1,470
Percentage payability	38.7	59.6
Average gold value—dwt. per ton	15.42	9.81
Average uranium oxide value—lb. per ton	0.38	0.56
Width—inches	42.33	51.26
Equivalent inch-dwt.	653	503
Equivalent inch-lb.	15.95	28.63
(b) Vaal Reef :		
Footage driven	10,581	13,184
Feet sampled	3,835	5,245
Feet payable	2,715	4,050
Percentage payability	70.8	77.2
Average gold value—dwt. per ton	52.91	77.43
Average uranium oxide value—lb. per ton	3.31	4.39
Width—inch	10.83	10.48
Equivalent inch-dwt.	573	811
Equivalent inch-lb.	35.89	46.00
Outside Mining Lease Area (Results of development on Ventersdorp Contact and Elsburg Reefs on the Farm Nooitgedacht No. 434).		
Footage driven	12,602	12,167
Feet sampled	4,575	4,290
Feet payable	2,760	2,125
Percentage payability	60.3	49.5
Average gold value—dwt. per ton	15.36	11.79
Average uranium oxide value—lb. per ton	0.38	0.31
Width—inch	47.64	51.03
Equivalent inch-dwt.	732	602
Equivalent inch-lb.	18.10	15.92

### GENERAL

During the quarter, mining and milling operations were adversely affected by the cut in power supplies.

## DAGGAFONTEIN MINES, LIMITED

### OPERATING RESULTS

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>Gold</b>		
Tons milled	693,000	687,000
Ounces fine	139,458	138,647
Yield per ton—dwt.	4.02	4.04
Cost per ton milled	30s. 8d.	31s. 0d.
Profit per ton milled	19s. 10d.	19s. 6d.
<b>Uranium</b>		
Uranium oxide produced—lb.	144,010	158,477
Yield per ton treated—lb.	0.352	0.361
<b>WORKING RESULTS</b>		
Gold—Working profit	£684,009	£670,664
Uranium (Estimated)		
Treatment costs	£232,316	£222,968
Working profit	£371,507	£373,940
Sulphuric Acid		
Working profit	£47,083	£47,816
<b>Total Working Profit</b>	£1,102,599	£1,092,420
<b>FINANCIAL</b>		
Taxation and State's Share of profit—estimated	£610,276	£608,000
Uranium Loan Repayments (including interest)	£140,776	£140,775
Capital expenditure	£4,651	£4,366
<b>DEVELOPMENT</b>		
Main Reef Leader		
Footage driven	4,322	4,085
Feet sampled	3,915	3,555
Feet payable	1,615	1,625
Percentage payability	41.3	45.7
Average gold value—dwt. per ton	17.88	19.43
Width—inch	14.29	16.41
Equivalent inch-dwt.	256	319
Kimberley Reef		
Footage driven	3,008	3,252
Feet sampled	2,715	2,925
Feet payable	1,115	860
Percentage payability	41.1	29.4
Average gold value—dwt. per ton	10.47	8.79
Average uranium oxide value—lb. per ton	0.41	0.47
Width—inch	36.44	37.64
Equivalent inch-dwt.	382	331
Equivalent inch-lb.	14.82	17.78

London Office, 40, Holborn Viaduct, E.C.1.  
13th April, 1960.

## WESTERN DEEP LEVELS LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>DEVELOPMENT</b> (at present being carried out by West Driefontein Gold Mining Company, Limited, on behalf of this company)		
Ventersdorp Contact Reef		
Footage driven	372	639
Feet sampled	225	312
Feet payable	50	20
Percentage payability	22.2	6.4
Average value—dwt. per ton	33.95	57.67
Width—inch	14.70	6.00
Equivalent inch-dwt.	499	346
<b>SHAFT SINKING</b>		
No. 2 Shaft System		
Main shaft—footage sunk	527	809
Main shaft—footage in stations, pump chambers, etc.	217	236
Ventilation shaft—footage sunk	663	658
Ventilation shaft—footage in stations, pump chambers, etc.	360	158
No. 3 Shaft System		
Main shaft—footage sunk	214	423
Main shaft—footage in stations, pump chambers, etc.	336	784
Ventilation shaft—footage sunk	193	306
Ventilation shaft—footage in stations, pump chambers, etc.	570	1,329
Shaft depths at 31st March, 1960	1,959	feet
feet	feet	feet
No. 2 Shaft System		
Main shaft	5,730	3,018
Ventilation shaft	5,433	2,714
No. 3 Shaft System		
Main shaft	6,354	3,536
Ventilation shaft	6,324	4,429
During the quarter, the Ventersdorp Contact Reef was intersected in the No. 2 Main Vertical Shaft at a depth of 5,599 feet below the collar. The reef was exposed over a distance of 80 feet around the perimeter of the shaft dipping 28° in a south-easterly direction. In the remaining 10 feet, the reef was incompletely exposed due to faulting.		
Sampling at 5 feet intervals of the reef fully exposed gave an average value of 7.59 dwt. per ton over a channel width of 41.50 inches, equivalent to 315 inch-dwt.		
The No. 3 Main Vertical Shaft was sunk to its final depth of 6,354 feet below the collar. The No. 3 Ventilation Shaft was stopped at a depth of 6,324 feet in order that development work might be carried out whilst the main shaft is being equipped.		
At the No. 3 Shaft system, 651 feet of development was accomplished, all of which was off reef.		
<b>CAPITAL EXPENDITURE</b>		
Expenditure on fixed assets, during the quarter amounted to £792,154, bringing the total capital expenditure to 31st March, 1960, to £10,473,296.		

## VAAL REEFS EXPLORATION AND MINING COMPANY, LIMITED

	Quarter ended 31st March, 1960	Quarter ended 31st December, 1959
<b>OPERATING RESULTS</b>		
<b>Gold</b>		
Tons milled	278,000	290,000
Ounces fine	125,100	130,501
Yield per ton—dwt.	9.00	9.00
Cost per ton milled	66s. 1d.	64s. 7d.
Profit per ton milled	46s. 7d.	48s. 0d.
<b>Uranium</b>		
Uranium oxide produced—lb.	133,934	141,128
Yield per ton treated—lb.	0.657	0.718
<b>WORKING RESULTS</b>		
Gold—Working profit	£647,503	£695,400
Uranium (Estimated)		
Treatment costs	£131,656	£123,025
Working profit	£431,866	£435,992
<b>Total Working Profit</b>	£1,079,369	£1,131,392
<b>FINANCIAL</b>		
No taxation and no share of profits are as yet payable to the State.		
Capital expenditure	£437,520	£589,972
Uranium Loan Repayments (including interest)	£70,158	£70,158
<b>DEVELOPMENT</b>		
Footage driven	23,102	25,153
Feet sampled	8,755	7,185
Feet payable	6,920	5,705
Percentage Payability	79.0	79.4
Average gold value—dwt. per ton	67.24	70.81
Average Uranium oxide value—lb. per ton	4.76	4.76
Width—inch	9.83	7.64
Equivalent inch-dwt.	661	541
Equivalent inch-lb.	40.15	36.39
<b>SHAFT SINKING</b>		
No. 2 Main Shaft		
Footage sunk in quarter was 1,276 feet, shaft depth being 5,756 feet at end of quarter.		
No. 2 Ventilation Shaft		
Footage sunk in quarter was 1,939 feet, shaft depth being 3,833 feet at end of quarter.		
<b>REEF INTERSECTION</b>		
In January, 1960, the Vaal Reef was intersected in the No. 2 Main Vertical Shaft at a depth of 4,880 feet below the collar. The reef was completely exposed around the perimeter of the shaft and on sampling gave an average value for gold of 36.69 dwt. and for uranium of 1.90 lb. per ton over a channel width of 22.33 inches, equivalent to 819 inch-dwt. and 42.41 inch-lb. respectively.		
<b>GENERAL</b>		
During the quarter, mining, milling and shaft sinking operations were adversely affected by the cut in power supplies.		

For and on behalf of  
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED,  
R. V. PRITCHARD, Joint London Secretary.

ED

Quarter ended 31st December, 1959

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figures which have been substantially and consistently better than a year ago. So far this year the labour force has averaged around 10,000 more each month and the total for March had already exceeded last May's all-time record of 385,000. It should of course be remembered that an increase in the total labour force does not necessarily represent a corresponding increase in availability to the individual mine.

Thus the opening up of Western Areas, Leslie and Bracken, which so far may only have absorbed 1000-2000 Africans, could well between them in the course of the next three years require a further 15,000. At the same time, expansion programmes at other mines resulting from mill extensions, new shaft sinkings, etc. have made, and will continue to make, additional demands on the labour force. Against this we shall inevitably over this same three year period see a number of mine closures including probably the remainder of Robinson Deep, together with Government G.M.A., Modder East and Van Dyk, while there will also be a running down in the scale of activity in other mines such as Crown and Simmer and Jack.

Together, closures and scaling down in activity should release a minimum of 20,000 over this period, without taking any account of the termination of the Combined Agency uranium contracts which must also result in some reduction in output at mines where ore is mined solely for uranium, as for example at Randfontein and West Rand Consolidated. Randfontein, which is the highest cost uranium producer in the industry, and will be particularly vulnerable at this point, also happens to be a heavy employer of African labour (about 19,000).

Thus even if recruitment improves no further in the years ahead (and the steady growth of the African population suggests that it will), we may be moving into a period of greater availability in relation to the requirement of the individual mine as well as of greater total employment.

It should also be stressed that we have been discussing African labour availability without regard to recruitment of European personnel, either for direct supervisory tasks or for maintenance and other ancillary duties. Latterly, the shortages here have tended to be qualitative rather than quantitative, although any substantial revival in secondary industry might again set a ceiling to the maximum number of Africans, who can be usefully employed.

### Uranium Contracts

During the past quarter some exploratory negotiations have taken place between the Combined Agency and the Chamber of Mines with regard to the possibility of some stretchout of existing South African contracts being negotiated as they were with Canadian producers during the winter. It is, however, hardly surprising that nothing seems as yet to have come of these negotiations. Unlike Canadian producers, who were at something of a disadvantage in their stretchout negotiations, producers in South Africa appear to hold watertight agreements and there would have to be a fairly unanimous desire for stretchout agreements on the part of the South African producers for them to have much chance of success. In practice, although such agreements must remain a possibility, interests are mixed on this issue.

### Pouring of the foundations of the main shaft at Western Areas Gold Mining

The newer producers, who are still spending capital on development, have no wish for any stretchout. They have always wanted to earn as much from uranium as quickly as possible, and have in effect generally tended to regard profits from uranium (as indeed we have always urged that investors should do) as a short term windfall to be used for ploughing back into capital expenditure and thereby limiting the amount of their eventual issued capital and/or reducing their loan capital commitments.

The older mines, on the other hand, have regarded uranium earnings as an important sweetener to their profits and would be quite happy to see this item tail off gradually rather than come to a sudden halt somewhere in the mid-sixties.

### The Gold Price

It is early days yet to assess the repercussions of recent South African events on the continuing gold price debate. If there is no change in the Union's racial policies, those in the United States who argue against an increase would undoubtedly have an additional, if largely emotional, argument. If, however, South African policies show a genuine change of heart, it would be difficult for the western countries to do anything to discourage a policy of African advancement, which could help to bring stability to the whole of the Sub-Continent. Such a prospect might well be an added argument for a higher gold price rise as the simplest means of enabling the Union to finance such a programme.

To whichever side of the scales the South African situation adds weight, however, the issue of the gold price remains fundamentally dependent on the internal American situation. Here the immediately important factor is that the drain on the U.S. gold stock has for the moment dwindled to insignificant proportions. During the early months of this year, the loss averaged a mere \$16,000,000 per month against an average during 1959 of a little under \$100,000,000 per month and in 1958 of

around \$200,000,000 a month. This fact alone should ensure that the gold price will not in any case become a live issue in Washington this side of the election. Thereafter the picture could change if the Democrats were to find themselves in the White House and if the more pessimistic forecasts now being made for the trend of consumer spending and industrial investment in the coming months were to be realised.

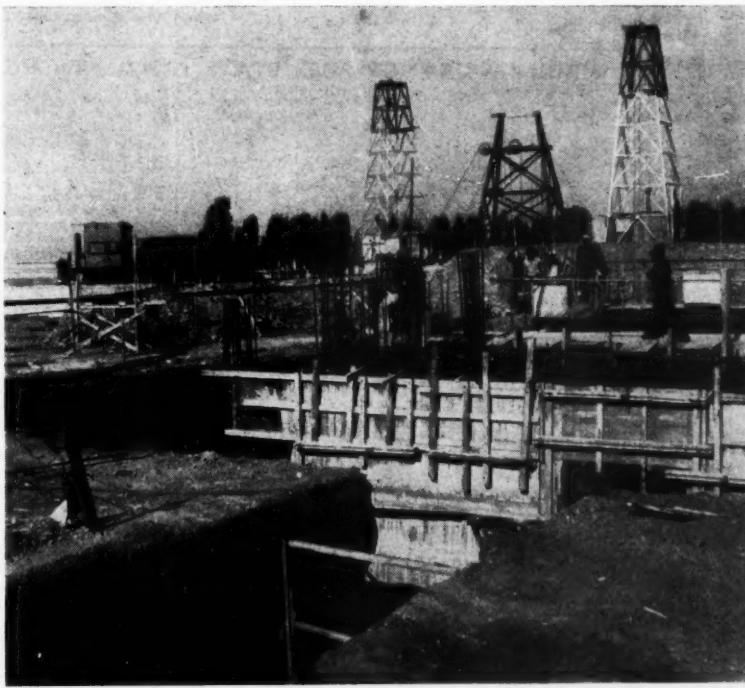
### South African Budget

The South African budget was notable in general terms for being mildly inflationary and thus recognizing the continued failure of secondary industry to get back into high gear.

With the continuation of the ban on capital exports, the Union's balance of payments position had, up to the budget, been steadily improving to the point where it stood at £151,600,000 at the end of last February. However, this was the situation before Sharpeville and between the end of February and mid-April this figure had declined by at least £15,000,000. It thus remains to be seen what will be the impact over the next few months both on the level of industrial activity and on the balance of payments position. Until these repercussions can be assessed, the market may as well forget whatever hopes it had either of a lifting of the ban on capital exports or of any easement of the rate of tax on gold mining by virtue of the rapidly expanding contribution which the industry is now making to the exchequer.

The only other matter of fiscal interest relates back to the 1959 budget in which concessions to ultra deep mines were announced. Initially, the ultra deep status was conferred only on Western Deep Levels and E.R.P.M. Now, however, there are signs that the definition is being interpreted more liberally and Crown Mines, Durban Deep and apparently also Robinson Deep

(Continued on page 22



# ANGLO-TRANSVAAL CONSOLIDATED INVESTMENT CO. LIMITED

(Incorporated in the Union of South Africa)

Operating Statistics and Vital Information extracted from the Directors' Reports for Mining Companies associated with the Group for the quarter ended 31st March, 1960, and comparative figures for previous quarter.

(All Companies mentioned are incorporated in the Union of South Africa)

## HARTEBEESTFONTEIN GOLD MINING COMPANY, LIMITED.

PRODUCTION	Quarter ended		Quarter ended		
	31st March, 1960	31st Dec., 1959	31st March, 1960	31st Dec., 1959	
Gold : Tons milled	300,000	307,000			
Yield—ounces fine	141,250	151,460			
—dwt. per ton milled	9.417	9.867			
Uranium : Tons treated					
From current slimes	300,000	307,000			
From surface accumulations	57,000	36,000			
Total	357,000	343,000			
Yield—lb. of uranium oxide	247,711	250,681			
—lb. per ton treated	0.694	0.731			
Uranium oxide sold—lb.	260,816	260,795			
<b>FINANCIAL INFORMATION</b>					
Gold :	Per ton milled	Per ton milled	Per ton milled	Per ton milled	
Revenue	£1,769,832	118s. 0d.	£1,895,684	123s. 6d.	
Working costs	1,015,000	67s. 8d.	990,000	64s. 0d.	
Working profit	£754,832	50s. 4d.	£905,684	59s. 0d.	
Sundry mining revenue	35,000	2s. 4d.	26,000	1s. 8d.	
Total working profit from gold	£789,832	52s. 8d.	£931,684	60s. 8d.	
Uranium :	Per lb. sold	Per lb. sold	Per lb. sold	Per lb. sold	
Revenue	£1,005,115	77s. 1d.	£1,010,694	77s. 6d.	
Treatment costs	222,115	17s. 0d.	234,694	18s. 0d.	
Estimated profit from uranium oxide	£783,000	60s. 1d.	£776,000	59s. 6d.	
<b>Total Working Profit for Quarter</b>	<b>£1,572,832</b>		<b>£1,707,684</b>		
Working costs (gold only) per ounce fine	143s. 9d.		130s. 9d.		
Development expenditure per ton milled included in working costs	11s. 6d.		10s. 6d.		
<b>NOTES :</b>					
(1) All information relating to uranium production is provisional and subject to adjustment.					
(2) Losses in gold production sustained due to power cuts imposed by the Electricity Supply Commission during the period 14th to 18th March, 1960, were estimated as follows:					
Loss of gold production (ounces)	4,700				
Loss of profits	£55,172				
The following amounts have not been taken into consideration in calculating the working profit shown above :					
(a) Loans obtained for gold production					
—Interest	£14,845		£14,775		
—Loan repayment	£1,621		£230		
(b) Loans obtained for uranium production					
—Interest	£20,869		£21,513		
—Loan repayment	£66,057		£65,412		
<b>CAPITAL EXPENDITURE</b>					
Gold production (including £176,713 on capital and excess development)	£762,069		£515,017		
Uranium plant	13,375		51,342		
<b>Total</b>	<b>£775,444</b>		<b>£566,359</b>		
<b>ESTIMATED TAXATION AND GOVERNMENT'S SHARE OF PROFITS FOR THE NINE MONTHS ENDED 31ST MARCH 1960</b>					
(b) Loans obtained for uranium production:					
Interest	£20,869		£21,513		
—Loan repayment	£66,057		£65,412		
<b>DEVELOPMENT</b>					
Footage advanced	32,757		31,476		
Sampling results of development on Vaal Reef:					
No. 1 Shaft Area	Total	Payable	Total	Payable	
Footage sampled	3,420	2,870	3,220	2,880	
(83.9%)			(89.4%)		
Channel width (inches)	21.3	22.4	16.1	16.9	
Inch-dwt. (gold)	324	364	339	366	
Inch-lb. (uranium oxide)	27.94	30.37	30.09	32.05	
No. 2A and No. 3 Shaft Area					
Footage sampled	7,490	6,300	5,935	5,145	
(84.1%)			(86.7%)		
Channel width (inches)	10.8	11.0	7.0	7.1	
Inch-dwt. (gold)	374	427	343	380	
Inch-lb. (uranium oxide)	24.58	26.97	25.12	26.87	
Total Mine					
Footage sampled	10,910	9,170	9,155	8,025	
(84.1%)			(87.7%)		
Channel width (inches)	14.1	14.6	10.2	10.6	
Inch-dwt. (gold)	358	407	341	375	
Inch-lb. (uranium oxide)	25.63	28.03	26.87	28.73	
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)					
<b>SHAFT SINKING AND EQUIPPING</b>					
No. 4 Vertical Shaft					
Installation of a 200 h.p. service hoist has been completed. Work is in progress on foundations and winder houses for two 5,145 h.p. winders, a 2,300 h.p. winder and a 200 h.p. stage hoist.					
Foundations for a sinking fan have been completed; the ducting and fan are being erected.					
Electric power, compressed air and water supplies have been provided. Erection of ancillary shaft buildings is nearing completion. Work on No. 4 Shaft Compound is in progress.					
<b>GENERAL</b>					
Uranium Plant					
The first stage of converting the existing leach plant to a high temperature ferric leach plant has been completed.					
Surface Boreholes					
Borehole H.B. 25 has reached a depth of 7,463 feet. At a depth of 7,337 feet the borehole passed through the Gold Estates beds and, due to faulting, entered the footwall beds of the Vaal Reef. Deflections are being drilled.					

## VIRGINIA ORANGE FREE STATE GOLD MINING COMPANY, LIMITED.

PRODUCTION	Quarter ended		Quarter ended		
	31st March, 1960	31st Dec., 1959	31st March, 1960	31st Dec., 1959	
Gold : Tons milled	387,000	400,000			
Yield—ounces fine	87,042	90,967			
—dwt. per ton milled	4,498	4,548			
Uranium : Tons treated	387,000	400,000			
Yield—lb. of uranium oxide	162,699	172,582			
—lb. per ton treated	0.487	0.431			
Uranium oxide sold—lb.	162,440	162,440			
<b>FINANCIAL INFORMATION</b>					
Gold :	Per ton milled	Per ton milled	Per ton milled	Per ton milled	
Revenue	£1,091,812	56s. 5d.	£1,138,403	56s. 11d.	
Working costs	1,076,943	55s. 8d.	1,103,300	55s. 2d.	
Working profit	£14,869	9d.	£35,103	1s. 9d.	
Sundry mining revenue	12,000	8d.	25,298	1s. 3d.	
Total Working Profit from Gold	£26,869	1s. 5d.	£60,401	3s. 0d.	
Uranium oxide :	Per lb. sold	Per lb. sold	Per lb. sold	Per lb. sold	
Revenue	£648,306	79s. 10d.	£683,696	84s. 2d.	
Treatment costs	207,306	25s. 6d.	242,696	29s. 10d.	
Estimated profit from uranium oxide	£441,000	54s. 4d.	£441,000	54s. 4d.	
Estimated profit from acid	£89,970		£93,168		
Total Working Profit for Quarter	£557,839		£594,569		
Working costs (gold only) per ounce fine	247s. 4d.		242s. 7d.		
Development expenditure per ton milled included in working costs	5s. 9d.		10s. 4d.		
NOTE: (i) All information relating to uranium production is provisional and subject to adjustment.					
(ii) Losses in gold production sustained due to power cuts imposed by the Electricity Supply Commission during the period 14th to 18th March, 1960, were estimated as follows:					
Loss of gold production (ounces)	2,225				
Loss of profits	£26,292				
The following amounts have not been taken into consideration in calculating the working profit shown above :					
(a) Debenture and Loan Stocks, Housing and other loans—Interest	£53,763		£55,500		
(b) Loans obtained for Acid and Uranium production—Interest	£44,117		£45,830		
—Loan Repayment	£175,602		£173,889		
<b>CAPITAL EXPENDITURE</b>					
Gold Production	£54,824		£24,716		
Uranium and Acid Plants	846		13,820		
<b>Total</b>	<b>£55,670</b>		<b>£38,536</b>		
<b>TAXATION AND GOVERNMENT'S SHARE OF PROFITS FOR THE QUARTER ENDED 31ST MARCH, 1960</b>					
<b>DEVELOPMENT</b>					
Footage advanced	18,244		18,853		
This includes 5,519 feet of development advanced in the Merriespruit property in terms of the agreement entered into with Merriespruit (Orange Free State) Gold Mining Company Limited.					
Sampling results of development on Basal and Leader Reefs :					
Footage sampled	6,510	1,910	8,315	Payable	
(29.3%)				(28.6%)	
Channel width (inches)	24.4	29.4	32.5	32.5	
Inch-dwt. (gold)	135	304	138	270	
Inch-lb. (uranium oxide)	11.60	24.21	12.38	20.64	
(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)					

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## LORRAINE GOLD MINES, LIMITED.

PRODUCTION		Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
Gold:	Tons milled	218,000	239,500
Yield—ounces fine		45,951	48,488
—dwt. per ton milled		4,216	4,049
Uranium : (Joint Production Scheme)			
Tonnage apportioned		204,310	198,016
Pounds apportioned		44,666	45,643
Yield per ton on lb. apportioned		0.219	0.231
Uranium Oxide sold—lb.		44,594	44,594
FINANCIAL INFORMATION			
Gold :		Per ton milled	Per ton milled
Revenue	£575,942	52s. 10d.	£606,701
Working costs	652,125	59s. 10d.	£664,461
Working loss	£76,183	7s. 0d.	£57,760
Sundry mining revenue	2,500		2,200
Net working loss from gold	£73,683	6s. 9d.	£55,560
Uranium oxide :		Per lb. sold	Per lb. sold
Revenue	£208,965	93s. 9d.	£216,376
Treatment costs	102,965	46s. 2d.	107,376
Estimated profit from uranium oxide	£106,000	47s. 7d.	£109,000
Total Working Profit for Quarter	£32,317		£53,440

Working costs (gold only) per ounce fine	283s. 10d.	274s. 1d.
Development expenditure per ton milled included in working costs	5s. 5d.	5s. 9d.
NOTE: (i) All information relating to uranium production is provisional and subject to adjustment.		
(ii) Losses in gold production sustained due to power cuts imposed by the Electricity Supply Commission during the period 14th to 18th March, 1960, were estimated as follows:—		
Loss of gold production (ounces)	1,913	
Loss of profits	£23,380	
The following amount has not been taken into consideration in calculating the working profit shown above—		
6% Registered Unsecured Notes—Interest	£8,199	£8,199

CAPITAL EXPENDITURE		
Gold production (including £152,193 in respect of underground development)		£546,594
Uranium oxide production :		£481,904
Contribution towards capital cost of the joint uranium plants	37,854	37,134
Total	£584,448	£519,038

Taxation and Government's share of profits for the half year ended 31st March, 1960		
DEVELOPMENT	Nil	
Footage advanced	15,967	15,517
The 52nd level haulage and its companion advanced 3,345 feet and 3,546 feet, respectively during the quarter. At the end of the quarter the distance remaining to hole to No. 3 Shaft was approximately 2,500 feet.		
Sampling results obtained:—		

Basal Reef	Total	Payable	Total	Payable
Footage sampled	965	165	655	185
Channel width (inches)	4.9	(17.1%)	6.0	(28.2%)
Inch-dwt. (gold)	100	158	98	174
Inch-lb. (uranium oxide)	9.31	9.48	12.00	18.04
"B" Reef				
Footage sampled	1,250	155	710	175
Channel width (inches)	16.4	(12.4%)	24.0	(24.6%)
Inch-dwt. (gold)	93	311	119	288
Inch-lb. (uranium oxide)	6.90	11.23	7.61	8.24
Elshur Reefs				
Footage sampled	2,345	1,410	1,505	1,290
Channel width (inches)	38.4	(39.5%)	30.7	(85.7%)
Inch-dwt. (gold)	315	469	605	690
Inch-lb. (uranium oxide)	16.43	21.40	18.08	19.69
Total—All Reefs				
Footage sampled	4,560	1,730	2,870	1,650
Channel width (inches)	25.3	33.9	23.4	26.8
Inch-dwt. (gold)	208	425	369	590
Inch-lb. (uranium oxide)	12.31	19.35	14.10	18.29

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

SHAFT SINKING AND EQUIPPING		
No. 3 Shaft :	feet	feet
Footage sunk	273	604
Depth below collar	5,730	5,457
Concrete lining accomplished	300	600
Depth of concrete lining below collar	5,715	5,415
The "A" reef horizon was intersected at 5,496 feet below the collar and averaged 3.36 dwt. of gold and 0.182 lb. of uranium oxide per ton over a channel width of 115 inches, equivalent to 386 inch-dwt and 20.97 inch-lbs., respectively. The "B" reef was intersected at a depth of 5,744 feet below the collar and a full exposure of the reef over the periphery of the shaft was completed at a depth of 5,752 feet. The reef, which was faulted and dips 11° to the west, was sampled at 5 feet intervals around the periphery of the shaft and 18 sections sampled gave an average value of 0.75 dwt. of gold per ton and 0.057 lb. of uranium oxide per ton over a channel width of 67 inches equivalent to 50 inch-dwt. and 3.80 inch-lb., respectively. The "B" reef is being mined in the original Lorraine lease area.		

A total of 299,124 cubic feet was excavated in the cutting of 56 level station at a depth of 5,535 feet below the collar, a pump chamber at 5,619 feet below the collar and loading bins and a spillage ore-pump below the 56th level.

Work on the equipping of the intermediate pump station at 2,790 feet below the collar is proceeding.

## MERRIESPRUIT (ORANGE FREE STATE) GOLD MINING COMPANY, LIMITED.

FINANCIAL INFORMATION		Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
Capital Expenditure (including £5,142 interest on uranium loans)		£142,207	£93,548

The moratorium period in respect of loans obtained for uranium production has now expired and quarterly repayments of £22,847 have been resumed as from the quarter ended 31st March, 1960.

## DEVELOPMENT

Footage advanced 5,519 3,855

The above footage was driven by the Virginia mine in the Merriespruit property.

The 28th level haulage and its companion advanced to 7,988 feet and 8,000 feet, respectively, inside the Merriespruit property.

Sampling results of development on Basal Reef :

Total	Payable	Total	Payable
Footage sampled	790	245	545
		(31.0%)	(63.0%)
Channel width (inches)	19.7	29.3	38.6

Inch-dwt. (gold) 152 280 243 332

Inch-lb. (uranium oxide) 8.36 13.23 15.20 17.41

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)

## GENERAL

During the quarter the water level in No. 2 Shaft fell by 57 feet to 1,437 feet below the collar.

## NEW KLERKS DORP GOLD ESTATES, LIMITED

FINANCIAL INFORMATION		Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
Net loss from gold production	£17,463	10s. 11d.	£17,131 11s. 3d.
Estimated profit from uranium oxide production (subject to adjustment)	32,000		33,000
Total Working Profit for Quarter	£14,537		£15,869

The following amounts have not been taken into consideration in calculating the working profit shown above:—

Loans obtained for uranium oxide production :

Interest 401 419

Loan repayment 1,851 1,833

Estimated taxation for the quarter ended 31st March, 1960 600

## PNEUMOCONIOSIS

During January, 1960, £10,000 was paid in reduction of the company's total retrospective liability of £20,456 for pneumoconiosis compensation.

## RAND LEASES (VOGELSTRUISFONTEIN) GOLD MINING COMPANY, LIMITED

PRODUCTION		Quarter ended 31st March, 1960	Quarter ended 31st Dec., 1959
Gold milled		531,500	548,000
Yield—ounces fine		80,701	82,027
—dwt. per ton milled		3,037	2,994

FINANCIAL INFORMATION		Per ton milled	Per ton milled
Revenue from gold	£1,010,629	38s. 0d.	£1,026,023
Working costs	954,463	35s. 11d.	972,950

Working profit		£56,166	£53,073
Sundry mining revenue		21,100	18,500

Total Working Profit for Quarter £67,766 2s. 7d. £61,573 2s. 3d.

Working costs per ounce fine		
Development expenditure per ton milled included in working costs	2s. 7d.	2s. 10d.

Capital Expenditure £1,153 £12,886

Estimated Taxation for the nine months ended 31st March, 1960 £6,500

Total 9,230 12,194

Footage advanced

Sampling results obtained:—

Main Reef

Footage sampled

Channel width (inches) 34.2 31.3 42.6 44.3

Inch-dwt. 117 201 188 333

Main Reef Leader

Footage sampled

Channel width—Inches 1,660 625 1,620 825

Channel width—inches 10.0 13.0 15.3 24.8

Inch-dwt. 127 228 195 312

South Reef

Footage sampled

75 — 90 55

Inch-dwt. — — — (61.1%)

Footage sampled

11.1 — 7.6 4.7

Footage sampled

72 — 290 427

Total—Main Reef Series

Footage sampled 3,500 1,115 5,380 2,505

Channel width—inches 22.3 21.0 33.8 37.0

Inch-dwt. 121 216 192 341

Bird Reef

Footage sampled

570 370 720 100

Channel width—inches 49.1 50.8 43.3 35.1

Inch-dwt. 174 220 88 145

Kimberley Reef

Footage sampled

1,620 110 1,620 360

Channel width—inches 68.2 48.0 78.7 71.9

Inch-dwt. 108 192 132 242

Total—All Reefs

Footage sampled 5,690 1,595 7,720 2,965

Channel width—inches 38.0 29.8 44.1 41.2

Inch-dwt. 123 215 170 322

(The above results are based on actual sampling. No allowance has been made for adjustments necessary in the valuation of the corresponding Ore Reserve.)



**The winder at President Steyn G.M. which was instrumental in achieving a shaft sinking rate of 1,000 ft. per month for the first time in mining history**

with this group's agreement with Western Holdings. There still appears to be doubt, however, as to whether the ground will produce enough tonnage to make a mine.

The Dealesville area to the south-east of the O.F.S. mines has apparently been written off as a prospect but there is still a lot of drilling going on in other areas peripheral to the present O.F.S. field. There has also been considerable activity in the Amersfort area to the east-south-east of the Kinross field.

#### Shaft Sinking

The industry has continued to record new shaft sinking records, this time with 1,020 feet at President Steyn, in January while the shaft sinking at Coalbrook, however abortive it may have proved as a rescue operation, was remarkable for the speed with which the operation was carried through at short notice and without prior preparation.

The progressive improvements which the industry is achieving in shaft sinking techniques are of prime importance in reducing initial capital costs and with the period of waiting before production can commence, although as has been demonstrated at President Steyn, dividend prospects may be adversely affected in the short term, as the acceleration of development work results in more capital being required sooner.

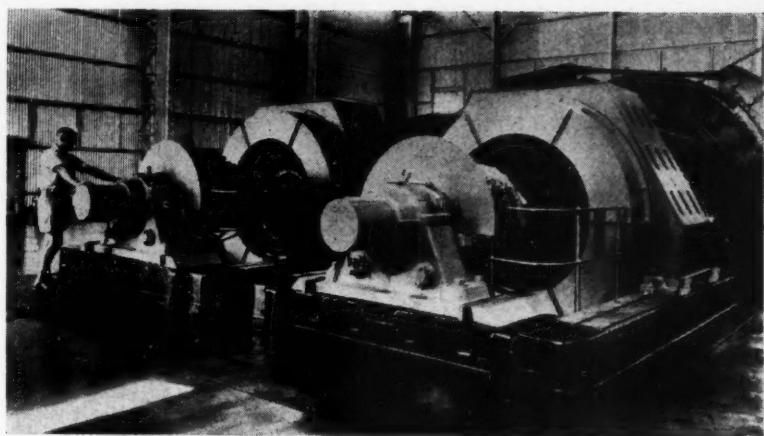
#### HIGHLIGHTS FROM THE QUARTERLY

Values at St. Helena staged a recovery. From 419 in./dwt. in the December quarter, payable development rose to 729 in./dwt. in the March quarter. Payability, however, declined further from 63 per cent to 49 per cent. Saints' No. 7 shaft, designed to ventilate the upthrown block of reef bearing ground on the eastern side of the property, reached a depth of 4,321 feet at the end of the quarter. (p. 14)

According to returns issued by the Transvaal and O.F.S. Chamber of Mines, the African labour force employed in March reached a new record of 388,860. This compares with the previous post-war record of 385,278 reached in May 1959. The normal seasonal build-up reaches its peak in about two months time so that there may be sharp increases in gold production in the months immediately ahead.

In spite of the record labour force employed in March, gold production showed a slight decline in that month. This was a direct result of the shutdown at Coalbrook Colliery, which necessitated power cuts over a period of five days to many of the mines in the O.F.S. and West Rand.

Fullscale shaft sinking began on April 5 at Bracken's No. 1A shaft. Erection of winding machinery and headgear is going on at the No. 1 shaft. (p. 14)



The permanent headgear and hoist at Leslie's No. 1 shaft are in place and full-scale shaft sinking is expected to start during the second half of this month. Construction of the No. 1 shaft headgear is about to begin. (p. 14)

At Winkelhaak, a borehole from surface —No. 32—has intersected a reef at a point 6,000 ft. N.E. of No. 3 shaft. The average of three intersections has given 244 in./dwt. (p. 14)

Gold values at Stilfontein showed a further slight increase to 381 in./dwt. This is the best since the record 602 in./dwt. in December 1958, but it is still a long way below the record set up at that time. (p. 12)

Sinking of the main shaft at Western Areas, Johnnies' new mine south of Randfontein, began on March 13. By the end of the quarter the shaft had reached a depth of 356 ft. The planned final depth is 4,850 ft. The ventilation shaft, with a planned depth of 3,500 ft., had reached 1,597 ft. by the end of the quarter. Sinking on this shaft began at the end of January. (p. 10)

Preparatory work began in February on the new shaft system which is to open up the Witkop property of South African Land & Exploration. By the end of the quarter the shaft had reached a depth of 507 ft. towards its planned 4,270 ft. When the shaft from surface has been completed, sinking will begin on a sub-vertical hoisting shaft which it is hoped will be commissioned in the middle of 1962. It will then be possible to begin stoping in the relatively rich north-eastern corner of Witkop. (p. 16)

No further development results will be reported from the Main reef horizon at East Geduld mines. This reef, it is stated, can now be considered for all practical purposes to be fully developed. In the March quarter a small footage was driven on the Kimberley Reef but no payable values were disclosed. (p. 14)

West Driefontein have decided to capitalise part of their share premium account which now stands at £4,660,086. It is recommended that £3,520,540 of this amount should be used in paying up in full at par 7,041,080 shares of 10s. each which will be issued in the ratio of one for one. The proposed capitalisation issue will not affect the total amount available for dividend. A extraordinary meeting will be held on May 3 to consider these proposals. (p. 5.)

There was no further news of progress in Free State Geduld's rich area to the southwest of the No. 1 shaft. Values in the rest of the mine, however, continued their remarkable persistence and have now averaged more than 1,000 inch-dwts. for no less than seventeen quarters. (p. 16.)

Further drilling on Western Holdings' ground to the south of the Vaal River disclosed only low and unpayable values. Two further boreholes, however, are being put down in this region and there is still some hope of it providing the company with a second mine in due course. (p. 17.)

In New York the Morgan Guaranty Trust Company has added Free State Saaiplaas 10s. shares to the list of those against the deposit of which it is prepared to issue American depositary receipts. The A.D.R.'s will be traded on the "over the counter" market.

At Loraine, the new No. 3 shaft situated in the centre of the old Riebeek property had reached a depth of 5,730 ft. below collar at the end of the quarter. The 52nd level haulage and its companion, which are being advanced to the vicinity of the No. 3 shaft, were pushed forward a further 3,400 ft. At the end of the quarter the distance remaining to hole through to No. 3 shaft, was approximately 2,300 ft. (p. 21.)

In January the Vaal reef was intersected in the No. 2 main vertical shaft of Vaal Reefs Exploration. The reef was completely

(Continued on page 24)

exposed around the perimeter of the shaft and on sampling gave an average value for gold of 819 inch-dwts. and for uranium of 42,41 inch-dwts. At the end of the quarter the shaft had reached a depth of 5,756 ft. and its companion ventilation shaft a depth of 3,833 ft. (p. 18.)

\* \* \*

In view of the continuing series of working losses Robinson Deep has decided upon a further reduction in the scale of its operations. Stoping is now confined as far as possible to ore reserve blocks only. (p. 4.)

\* \* \*

The long awaited link-up between the Sub Nigel mine and its neighbour Spaarwater has now taken place. The arrangement takes the form of an agreement whereby Sub Nigel will carry out development in part of Spaarwater's property and will draw ore therefrom on a royalty basis. Development work carried out under this arrangement last quarter gave only limited success. Of 325 ft. of reef sampled, only 12 per cent was payable averaging 429 inch-dwts. (p. 4.)

\* \* \*

Values on the Ventersdorp Contact Reef at West Driefontein continue to run well above the level originally expected of this horizon. In the March quarter payability was 88 per cent and the average gold content was 739 inch-dwts. Indeed the average of 922 inch-dwts. on the V.C.R. since June 30 last is actually higher than the 769 inch-dwts. obtained during the same nine months from the Carbon Leader which is West Driefontein's primary ore carrier. (p. 5.)

Development values at Blyvooruitzicht showed a strong recovery in the March quarter. Payability rose from 76 per cent to 87 per cent and the average value of payable development rose from 470 inch-dwts. to 640 inch-dwts. (p. 8.)

\* \* \*

In February, the directors of Modderfontein East made the following announcement: "Owing to the persistent decline in the available ore reserve, it has been increasingly difficult to maintain mine production at a profit. Owing to the virtual completion of the development programme and to the narrow margins on which the mine has been operating for some time there is little hope under existing conditions of improvement in the position. In these circumstances it has been considered necessary to give the statutory three months notice to the government of the possible discontinuance of mining operations". (p. 9)

\* \* \*

With effect from January 1, 1959, Crown Mines has been classified as a "deep level gold mine" in terms of the Income Tax Act. East Rand Proprietary has also so qualified. (pp. 9, 8.)

\* \* \*

The South African Atomic Energy Board has instigated a five year programme of research into investigations into the field of utilisation of uranium. The contribution of the industry has been settled at £400,000 per annum and is being apportioned among the various mines in proportion to the pounds of uranium sold by them.

Another of the old Rand mining companies to give a statutory three months' notice of suspension of operations is Robinson Deep. This company has been in continuous operation for sixty years. (p. 4.)

\* \* \*

The long awaited "magic million"—£1,000,000 profit in one month—was achieved in February by West Driefontein. This is the first time that this figure has been exceeded by any gold mine in the world. (p. 5.)

\* \* \*

A milestone was passed by Western Deep Levels in mid-March when the mine's No. 2 main shaft intersected the Ventersdorp Contact reef at a depth of 5,599 ft. Sampling round the perimeter of the shaft showed 80 ft. of reef at an average value of 7.6 dwts. over a width of 41.5 inches. Western Deep Levels has also announced details of its first issue of B shares. (p. 18.)

\* \* \*

Western Reefs has decided to sink a new shaft system (No. 4) in the northern portion of the company's lease area to permit the exploitation of the northern and north-western sections of the property. The site of the system is about 12,500 ft. north-west of No. 3 joint shafts. The capital cost of the shaft is estimated at approximately £2,900,000 which it is intended to finance from profits. It is officially hoped that it will prove possible for dividends to be maintained at about their present level during the period of the shaft sinking operations. (p. 18.)

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